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The

CREDIT WORLD



The CREDIT WORLD

(Registered U. S. Patent Office.)

Official Magazine of the NATIONAL RETAIL CREDIT ASSOCIATION

April, 1941

Vol. XXIX

No. 7

EDITORIAL AND EXECUTIVE OFFICES
1218 Olive St. St. Louis, Mo.

L. S. CROWDER.....Editor
ARTHUR H. HERT.....Associate Editor
G. F. O'CONNELL.....Circulation Manager
M. E. RIORDAN.....Advertising Manager
R. PRESTON SHEALEY.....Washington Representative

Advertising Representatives

THOMAS W. FARRELL.....64 East Lake St., Chicago
WILLIAM J. DELANEY, INC.....9 Rockefeller Plaza, New York

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SUCCESSFUL CREDIT DEPARTMENT LETTERS

A booklet containing 143 practical credit department letters and forms. . . .

Available Now!

. . . selected from the many successful examples previously published in the "Credit Department Letters" section of The CREDIT WORLD.

It was assembled at the urgent request of many of our members, and is indexed in such a manner that the various types of letters and forms may be easily located.

Listed below are nine of the 34 types of letters and forms included in the booklet:

- ★ Account solicitation letters
- ★ Collection letters
- ★ Collection notice cards
- ★ Credit sales promotion letters
- ★ Declining account letters
- ★ Good will letters
- ★ Inactive account letters
- ★ New account acknowledgment letters
- ★ "Thank you" letters

Price, \$1.00 per copy to members
(Non-members, \$1.50)



National Retail Credit Association

1218 Olive Street

St. Louis, Mo.

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Now Is the Time!

THERE is no more opportune time than the present to introduce credit reforms—a Community Credit Policy calling for the elimination of unusually long terms and requiring larger down payments.

It was my privilege recently to visit a city in which the credit executives are cooperating but where, nevertheless, there is competition in terms. Several retailers in that city, including department stores, advertised gas ranges selling for approximately \$80 to \$90 on 30 months' time and without a down payment. In the same city, electric refrigerators are being offered on unreasonably low down payments and up to 36 months' time. Also, because of competition, the carrying charge is 4 per cent for 12 months, a figure that is not ample to cover the cost of carrying an installment account.

There is now an effort being made to correct this condition, both as to rate of carrying charge and the length of time contracts are permitted to run.

On the same trip, in another city appeared an advertisement of a reputable furniture concern captioned "Our Credit Manager Is Sick," and read as follows: "Both our Credit Manager and Assistant Credit Manager are home sick. Of course we are sorry but—we can't stop business for that. Come in—make your own terms."

Needless to say, the Credit Manager, who appreciates the importance of the interview and a complete understanding with the customer, upon learning of the advertisement appeared at the store the following morning and approved only contracts that were closed on a proper basis, thus upsetting the plans of the Sales Promotion Department to build sales at the expense of sound credit.

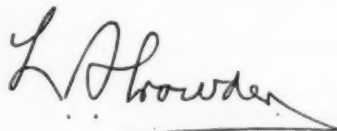
Such advertising is unfair to the store, attracting as it does undesirable customers. It increases credit costs and destroys confidence and good will. It is likewise unfair to the customer, as it encourages going into debt beyond ability to pay, thereby causing increased collection expense, repossessions and bad debt losses.

I learned of a case of a young man in a progressive city of another state, with an income of \$100 per month. As a result of easy credit he became indebted to the merchants of his city in an amount that required installment payments of \$80 per month, leaving \$20 upon which to live. *Carelessness in the extension of credit, or greed for business, results in a breakdown of the credit structure and is unsatisfactory and unprofitable.*

Conditions are good and indications are that they will continue so through this year and possibly 1942. *There will eventually come a day of reckoning, however,* and, when that time approaches, the successful retailer will have his house in order, with accounts receivable and other assets in a liquid condition, and in position to weather the storm. Long terms that have been offered in an effort to build sales will prove costly in the event of another slump in business. Terms prior to the depression of the 30's were confined to a maximum, with few exceptions, of 12 months and with down payments of 25 per cent or more. The result was that credit came through the depression with flying colors. Unless there is a "change-about-face" on the part of retailers in the matter of installment terms, the next story will be an entirely different one.

Start now, and make an effort to interest the retailers of your community in the adoption of a credit policy that will pay dividends. Policies in force in many cities will be furnished upon request.

Remember that no one benefits through competition in credit terms—not even the customer—and act accordingly.



General Manager-Treasurer

This publication carries authoritative notices and articles in regard to the activities of the National Retail Credit Association. Authors have been invited to submit articles for publication and their personal opinions or views expressed in these articles are to be attributed to them and not to The CREDIT WORLD, its editors, or the National Retail Credit Association.

Where Are You Going, My Pretty Maid?

ROBERT K. MAYNARD

Scranton, Pennsylvania

IF MY FAST FADING MEMORY serves me correctly, the answer to that query was, "I'm going a'milking, sir." If the same question were to be asked of a personified credit business today, I feel certain the answer would be something like this, "I'm gonna jive on down, swing out with this bucket and get all the cream." For, just as our dear old musty nursery rhymes have been dug up and revamped, so have credit selling, credit extension and collection methods been dusted off, polished, repaired, revamped and rebuilt until the present product, although retaining the fundamental characteristics of its pappy and gran'pappy, is but barely recognizable as one of that old family. It has the same name, but it has a lifted puss and a streamlined, strapless gown. It has outgrown the comfortable days. Now it is built for speed.

We have come a long way since the time when, if John Jones wanted credit, he was entirely at the mercy of the impression he made on the credit manager (usually the proprietor). If his tie was the wrong color or slightly askew, if he had a mole at just the wrong place on his chin or if his wife had failed to notice that dirty streak behind his left ear, he might hear himself being told, "Sorry, Mr. Jones, but I can only sell you for cash." Yes, just that bluntly. And poor Mr. Jones had no argument. He didn't like it, but he had to take it.

Now Mr. Jones' son, or his grandson, stops in the same store on his way home from work. Maybe Jonesie, Jr. (or III) has no tie, and maybe his face is so dirty that you couldn't even find a mole without a double application of scouring powder, and maybe his every touch produces a set of finger-

prints that would be covered by the FBI, but does the credit manager take one look and say, "Sorry, etc."? Would you? I should say you wouldn't. The day of the "first impression" credit manager has slid into limbo with all the other "b' guess and b' gorra" methods.

Probably the first thought that would pass through your mind would be, "Here's a fair game for our business," or some other combination of words that would add up to the same thing. As a credit man you would, either consciously or unconsciously, visualize in this umpteenth generation of the Jones family the symbol of the backbone of your business. He is the average American, working with his hands and with his head, eking out a living and budgeting his income so that he can pay you one, two, or three dollars a week for the little things he desires or the big things he needs; but things he would never buy for cash. You would greet him with open arms.

The chances are that Johnny has already bought on credit. If he has, and has been a good boy, he will meet

you or your clerk with an easy, albeit sometimes slightly embarrassed, air. He thinks he knows all the answers, and in many cases does not hesitate to brag just a little about his knowledge. And if you show genuine interest in what he says, he is bound to go home and tell Lady Jones that he just told "that credit guy downtown some things he never knew before." Do you think it's a bad idea to send him home in that frame of mind? *I don't.* I've found that it pays in the long run to let your customer think he is just a little smarter than you are in *your* line. The time may come, if the account goes sour, when you can jam his own words right down the larynx of Mr. J. Wise-Guy Jones, if that turns out to be his middle name. And you can then add a few words of your own that might convince him that you know whereof you speak.

Editor's Note

The basis for the findings in this article are explained by the author who says:

"For the past two years, I have been conducting a little private survey solely for my own amusement. I have not let an opportunity pass to interview credit managers. I have gone into their dens as an ordinary customer interested in opening an account. I have seen things that fourteen years in the business had not unfolded before my eyes.

"Throughout the Northeast, I have talked to hundreds of credit men. Very few of them have sent me away with a feeling of confidence. In fact, most of them amazed me with their display of self-importance. Precious few would condescend to meet me on my own ignorant ground. The hue and cry raised about selling good will seems to have passed over the heads or under the feet of most to whom I talked. I think it is time that all of us in the credit business wake up to the fact that actual credit management is only a minor part of our job."

It is true that the buying public is becoming more and more credit wise as each succession of days grows into years. But I maintain that I have not really educated one customer unless it became absolutely necessary that I show my hand, including the aces up the sleeve and the joker tucked away back in the corner of our attorney's office and only dusted off in cases of dire necessity. As you know, the customer who just thinks he is credit wise is a pushover. But the real thing calls for aspirin, anacin and bromo. Far be it from me to build up my own headaches by telling my prospects too much. Little Sir Prospect, for no good reason, may take it into his head to make me prove that I know what I am talking about.

Example of Credit-Wise Customer

Do you think that is not possible? Here's a case: I have a very close friend who is a credit manager, too. He told me a long story of one Joe Zilch, the hardest shellbacked account he had on his books. Joe, according to my friend, was all the blanks and hieroglyphics a man could be. The name was faintly familiar, so the next day I looked it up on our records. We had him, too. But we could date our letters on the first and sixteenth of each month by his payments. He wasn't good, he was perfect. I made it a point to talk to Joe the next time he came into the store. To my horror, I found that he was taking a post-graduate course in collection methods from my friend! Why? Why just because the credit manager had evidently idled away a little time on an unbusy day and told Joe all the steps he had taken before he had finally collected a balance from a deadbeat. Joe told me he didn't think that this credit manager could do all those things, but had merely tried to throw the fear of God into him. Joe insisted on being shown.

I had more hieroglyphics of a time convincing him that the best thing to do was to pay up the balance. And I told my friend the credit manager what I had done. He will never pull that again. There was some cream being soured by the thoughtless blabberings of a darn smart man. Do you see what I mean?

One-Half the Burden The Credit Manager's

Just take a look at all the cream floating on the sidewalks in every business section. When the merchandise men (from the window-dresser to the merchandise manager) pull a customer into the store, how complete is the job? There are varying opinions on that. I have heard credit men say that the name on the dotted line is three-quarters of the battle. Frankly, I bristle when I hear that, even from merchandise men. If I thought my department was only twenty-five per cent responsible for the success or failure of the store, I'd never want to read another credit report. I have my own biased opinion, but I say one-half, no less, of the burden rides on the shoulders of the credit manager. And I don't mean in the proper selection of accounts only. *With the efficient management of most of our present credit clearing agencies, the approval of credit is made easy—too easy. Most applicants today have established pay-*

ing habits. Actual analysis of the potentialities of a new account has become the exception rather than the rule.

But I maintain that I could evolve a diabolic policy that would send nine out of every ten persons out of the credit office with the firm determination to make me sweat for my dough. Which means that in five minutes I could create more ill will than could be built up in any one person's mind by years of sound institutional advertising. And I don't say that, on occasion, I haven't unintentionally done just that. But it didn't take more than one mistake to impress upon me the fact that every word and each facial expression must be thought out. And that makes the job that much harder.

Because of the accelerated speed of present-day business; because of the demands on the time of the average credit man, thinking things out must be instantaneous. I don't mean snap judgments in the usual sense of making a decision now and thinking it out afterward. I mean that logical, reasonable decisions must slip into a credit manager's mind complete. And each decision must, of necessity, meet the demands of the situation. We can't follow the example of the immigrant in that old story. He was the one who memorized three stock answers to questions. If we try that, the black-out will be immediately preceded by a black eye just as it is on the stage when the comedian gives the last of the answers, "If you don't somebody else will."

Some Parrots Within Our Ranks

I say that too many credit men have memorized their little speeches. I know that is rank heresy, but if you don't believe me I suggest you try what I did. Go into a section where you are not known. Interview the credit men of a number of stores in the role of a prospective new account. You'll find we have some exquisite parrots in our ranks. There is a lack of sincerity in the tone of the voice you are hearing rather than in the well-chosen words. You know that the dissertation you are hearing has become stereotyped through years of practice. If you hear it, so do at least fifty per cent of the others who go into that office. For, don't kid yourself, we are only average human beings. That insincerity can stir up a lot of cream and mix it with skim milk.

Good Will Agents

It all boils down to this, I believe: Growing along with the mushrooming of business, our credit agencies have taken over so much of our old burden that the little dab of paint that shouts "Credit Manager" should be scraped off and "Good Will Salesman" substituted. Remember, you are the final business contact a customer has with your organization. The merchandise is sold and the selling of the store is well on its way. It is up to you to clinch it. Sir Customer comes into your office as whole milk, it's up to you to separate it and bring the rich heavy cream to the surface and send him out feeling rich and sweet. If you do that, then you have accompanied the pretty maid on her rug-cutting trip. You've got the cream of his business, but you have left your customer the butter of good will.

"...and repent at leisure"

E. BLAND CRESAP*

A PERIOD OF PROSPERITY is in store for the next several years, say numerous economists, and will be followed by a serious depression.

Business men of foresight have already formulated adjusted buying, merchandising and credit policies for enjoying the benefits of increased business activity. They are, furthermore, conditioning these adjusted policies to avoid the errors made in thousands of businesses during the "booming 20's" which crippled all but the most sturdy organizations and sent thousands of old, well-established businesses into bankruptcy.

Let us analyze the business psychology of the 20's and try to determine where the weak spots were. Most business men were "volume-minded," and the constant cry was for volume and still more volume. They got it too, but at what expense! It was taken for granted that profits would follow the same curve as volume, and the fallacy of this supposition was not recognized until after it was too late. Increasing volume required the purchase of ever-increasing quantities of merchandise, and to keep stocks turning over rapidly retail credit was expanded proportionately. Terms were extended far beyond the life expectancy of goods sold. Down payments were reduced. Customers were sold in quantities far beyond their ability to pay. Inadequate investigation was made into customers' desirability as credit risks. It was taken for granted that prosperity would continue indefinitely; that continued employment would provide the means for consumers to liquidate their obligations. Very few retail accounts were charged off, most of them being considered as live assets. What business in general failed to see was that a top-heavy condition was being created in which more goods were produced and sold to consumers than they, as workers, could pay for out of income received.

Last Depression Not Soon Forgotten

In "black October" of 1929 public confidence was destroyed. Large corporations, whose stocks tumbled to unprecedented lows, stopped plant expansion and curtailed employment. Workers lost jobs and were unable to meet their obligations. Retailers found themselves with large stocks of merchandise they were unable to move, with huge accounts receivable which they could not liquidate, and with accounts payable they were unable to meet. The large number of businesses that were forced into bankruptcy, and the millions of dollars in con-

*Manager, The Credit Reporting Company, Colorado Springs, Colorado.

sumer accounts which had to be charged off, are both matters of economic history.

The most astute business men of today have not forgotten that period of depression, and will not permit themselves to be caught unaware in the event of another boom period. Their policies for the next few years embrace: (1) More cautious and moderate stocking of goods; (2) limitation of credit terms to cover at the outside the life expectancy of goods sold, with initial and deferred payments that correspond to the depreciation of merchandise purchased; and (3) careful selection of credit customers on the basis of their desirability as credit risks, and limitation of the amount of credit to the individual customer's ability to pay current obligations and time commitments as agreed out of current income.

In this way they will not again be caught with unsalable inventories, with accounts receivable that cannot be liquidated, and accounts payable that cannot be met. And what is equally important, our national economy will be so regulated that production of consumer goods will be kept in line with current consumer demands. We will not enjoy the feverish activity of a spurious prosperity, but neither will we be victims of a top-heavy economy which would inevitably crush us under its weight when it topples.

Those who recognize the mistakes made during the last boom period and act accordingly will maintain their business on a sound basis. Those who ignore these mistakes and rush headlong into another orgy of reckless credit extension will err in haste, and in all probability will later have the time and occasion to repent at leisure.

Merchandise Credit Coupon Books

FOR

Safe Expansion

OF YOUR

BUDGET ACCOUNTS

WRITE US FOR THE

FULL STORY

Southern Coupon Co.

P. O. Box 1472 -- BIRMINGHAM, ALA.

For 30 years "The House of Service"

A Bonus Plan

Under this system, the credit manager is paid in proportion to the new business he brings to the store.

PAUL C. VAUGHAN*

ONE OF THE QUESTIONS that management is often confronted with is: On what basis can the credit manager be placed to earn a bonus? The store owner should first find out what the average credit losses are by firms in his line of business and in his locality doing approximately his volume of business. Also, what are the average collection percentages? which can be secured from *The CREDIT WORLD*.

With this information, the store owner should then decide what percentage he is willing to lose and what collection percentage he must maintain, both on his open accounts and his deferred payment accounts for his particular business. Then figure what percentage of credit volume was paid to the credit manager for his salary during the preceding year.

Details of the Plan—

The next step is to call in the credit manager and discuss the situation with him, using, perhaps, the following illustration: Suppose the firm's net credit volume last year was \$2,000,000 and the credit manager's salary was \$5,000, or one-fourth of one per cent on the net credit volume. Tell the credit manager that if he will hold his credit losses on charge sales, after crediting him with his recoveries on previously charged off accounts, to one-half of one per cent, and maintain an average collection of 15 per cent on deferred payment accounts and 42½ per cent on 30-day accounts, the firm will pay him one-quarter of one per cent on all increased volume for the coming year. With this measure, the following advantages will ensue:

1. The store will at once have a sales-minded credit department.
2. It can rest assured that no sale will be turned down if there is any way to work out a plan that will secure the firm against loss.
3. All customers will receive every courtesy in the credit sales department.
4. It will assure the firm that all inactive accounts will be followed up by the credit manager to see that they become active again.
5. It will assure the firm that there will be a continuous campaign of solicitation for new accounts.
6. It will assure the firm that everything that can be done to promote sales by the credit department will be *done well*, because all of those things build volume.

*Vaughan-Weil, Inc., Birmingham, Ala. Until recently Mr. Vaughan was credit manager of Loveman, Joseph & Loeb, a store with which he was associated for 32 years.

7. It will insure the firm against poor credit risks, because if the losses exceed the agreed percentage, the credit manager does not receive a bonus.

8. It insures the proper credit procedure, because if the credit manager is harsh he will run trade away which will cut down the volume; or, if he is too lax, his collection percentage will fall below the specified percentage on which his bonus is dependent.

9. It will insure a continued follow-up of accounts that have been charged off, since recoveries are deductible from the credit manager's charge-off, to keep down his percentage of loss.

10. If the credit volume jumps to \$2,300,000 the following year:

- a. It has given the store a much more efficient credit department.
- b. It has improved customer relations.
- c. It has increased credit volume \$300,000.
- d. It has given the credit manager one-quarter of one per cent on \$300,000, or a \$750 bonus and a goal to work for each year.

Official Notice

To All Members of the

National Retail Credit Association:

You are hereby notified that the Twenty-Ninth Annual Convention of the National Retail Credit Association will be held in the City of New York, New York, June 16, 17, 18, and 19, 1941, for the election of officers and six directors at large, and the ratification of directors elected by the respective districts, also the installation of officers and directors and the transaction of such business as may properly come before the meeting.

Officers Whose Terms Expire:

President, Erwin Kant, Milwaukee, Wisconsin; First Vice-President, David D. Bolen, Des Moines, Iowa; and Second Vice-President, H. J. Burris, Kansas City, Missouri.

Directors' Terms Expiring in 1941:

The terms of the directors for Districts 1, 2, 3, 4, 5, 6, and 7, and six directors at large expire at the convention. The directors elected by Districts 1, 2, 3, 4, 5, 6, and 7 will be ratified and installed for two-year terms.

L. S. CROWDER
General Manager-Treasurer

Attest:

ARTHUR H. HERT
Secretary

New Management Controller

featuring

Unified Credit Record

and

Simplified Cycle Billing

After a year of testing in several of the nation's outstanding retail stores a new, important system is announced.

Remington Rand's new Unified Credit Record and Simplified Cycle Billing brings to the Credit and Accounts Receivable departments amazingly low operating costs.

Cycle billing reduces paper handling

Approximately two-thirds of the biller's time is occupied with paper handling—sorting, stuffing, locating the account, placing the bill in the machine and removing it, and finally refiling it in the ledger. This process must be repeated as many times as accounts are active during the month . . . from an average of three times to as many as ten or more.

Remington Rand offers a new method that requires only *one monthly posting*.

It is an established fact that a retail store can now easily produce more than 30,000 bills, on a cycle basis, with one Remington Rand combination accounting machine and a Unified Credit Record.

Remington Rand Inc.
Buffalo, New York
Branches in All Principal Cities

NOISELESS, STANDARD, PORTABLE TYPEWRITERS . . . ADDING, CALCULATING, BOOKKEEPING MACHINES . . . PUNCHED CARD ACCOUNTING AND TABULATING MACHINES . . . KARDEX VISIBLE SYSTEMS, RECORD PROTECTION, FILING METHODS AND EQUIPMENT, LOOSE LEAF DEVICES . . . PHOTOGRAPHIC RECORDS EQUIPMENT . . . AND PRECISION PRODUCTS INCLUDING THE FAMOUS REMINGTON DUAL CLOSE-SHAVER DEALERS, SALES AND SERVICE OFFICES IN 517 CITIES.

Non-descriptive cycle billing

Further savings in billing time are offered by circumventing the need for posting descriptions of purchases on the bills.

Actual experience *proves* that customers *prefer* a simplified bill with copies of the sales-checks attached . . . bill complaints and adjustments are reduced and payments made more promptly.

The full benefits of the New Unified Credit Record and Simplified Cycle Billing plan are possible with Remington Rand equipment.

New Management Controller

Fresh off the presses is a new, authoritative 35-page, fully illustrated Remington Rand Management Controller—"Unified Credit Record and Simplified Cycle Billing for Retail Stores." It tells the full story of the operating savings and efficiency increases.

You can have this Management Controller to study and talk over with your associates for a period of ten days. You will incur no cost or obligation. So, send the coupon below *today*. See for yourself why we say the new Remington Rand Unified Credit Record and Simplified Cycle Billing is the most important, and most necessary modernization *any* retail store can consider during 1941.

REMINGTON RAND INC.
Buffalo, New York

Dept. C W 441

Gentlemen:

Please send me your new Management Controller No. 622 "Unified Credit Record and Simplified Cycle Billing for Retail Stores." It is fully understood that I will keep it for only ten days and that there is no cost or obligation on my part.

NAME _____

COMPANY _____

ADDRESS _____

CITY AND STATE _____

" * * * THE
MOST UNUSUAL CONFERENCE
I HAVE EVER ATTENDED!"

★ Many years ago, the National Retail Credit Association developed an unusual kind of conference program. It has adhered to it since as it has proved uniformly successful. In June . . . on the 16th, 17th, 18th, 19th . . . it convenes for its 29th Annual Conference and Credit Sales Forum at the Hotel New Yorker, New York City.

★ Each day starts out with the general sessions which last until noon. Subjects of interest to everyone engaged in building credit sales, efficient credit management, and public relations are presented. Every afternoon is crammed full of practical discussions of interest to members of the 15 principal groups. Ideas are swapped, short cuts and new methods discussed. Capacity attendance marks each session . . . all day long.

★ Unusual?

★ Yes. Because "play boys" stay away. They are not attracted. But alert credit executives and business men and women annually reap an idea-harvest for the firms and institutions they represent.

★ If you have never attended an N.R.C.A. Conference you are urged to do so. Once you attend you will need no further urging. You are cordially invited thus to "sample" the advantages of a National membership.

★ Attend the N.R.C.A. Annual Conference in New York in June.

MAIL COUPON NOW FOR COMPLETE PROGRAM DETAILS

Address Arthur H. Hert, Secretary
National Retail Credit Association
1218 Olive Street, Saint Louis

Send me details of your 29th Annual Conference and Credit Sales Forum.

_____		_____	
Name		Title	
_____		_____	
City		Firm	State
_____		_____	

New Membership Progress

PITTSBURGH, Seattle, New York City, Boise and Nashville, lead the nation in our annual membership campaign, in the order given below. Local units reporting 10 or more new National members for the period from June 1, 1940, to March 27, 1941, are:

Pittsburgh, Pa.	136
Seattle, Wash.	104
New York City	87
*Boise, Idaho	72
Nashville, Tenn.	61
St. Louis, Mo.	58
New Orleans, La.	52
Oakland, Calif.	46
Washington, D. C.	44
San Francisco, Calif.	41
Milwaukee, Wis.	40
Kansas City, Mo.	37
*Great Falls, Mont.	35
Portland, Ore.	33
Tulsa, Okla.	29
*Bozeman, Mont.	27
Denver, Colo.	26
Houston, Tex.	24
Dallas, Tex.	22
Philadelphia, Pa.	21
Reading, Pa.	21
*Racine, Wis.	21
Atlanta, Ga.	19
Butte, Mont.	19
Spokane, Wash.	19
Birmingham, Ala.	18
Newark, N. J.	18
*Sumter, S. C.	18
*Medford, Ore.	17
Calgary, Alta.	16
*Pottsville, Pa.	16
Columbia, S. C.	16
*Emporia, Kan.	15
*Waycross, Ga.	14
*Charleston, S. C.	14
Elkins, W. Va.	14
*Ketchikan, Alaska	13
Los Angeles, Calif.	13
Vancouver, B. C.	13
Des Moines, Ia.	13
Springfield, Mass.	13
Memphis, Tenn.	13
San Antonio, Tex.	13
*Gadsden, Ala.	12
*El Dorado, Ark.	12
Baltimore, Md.	12
*Helena, Mont.	12
Tacoma, Wash.	12
*Astoria, Ore.	11
*Beaumont, Tex.	11
*Port Arthur, Tex.	11
*Texarkana, Tex.	11
*Dothan, Ala.	10
Chicago, Ill.	10
*Missoula, Mont.	10
Elkins, W. Va.	10
*Green Bay, Wis.	10

*New National Units.

New Members by Districts

10	437
12	281
4	185
7	168
13	133
11	128
2	125
3	114
8	107
6	51
9	30
5	29
1	28
Total	1,816

Credit Careers

Ida S. Boettcher

IDA S. BOETTCHER, who has completed 50 years of continuous service with the Armstrong Clothing Company, Cedar Rapids, Ia., was recently honored with a "Bosses' night dinner" by the Cedar Rapids Retail Credit Association on her retirement from the firm. Many proprietors of local stores were present, and, in addition, 70 credit executives and members of the Credit Women's Breakfast Club. Miss Boettcher was presented with two sheepskin scrolls conferring on her honorary life memberships in the Retail Credit Association and the Credit Women's Breakfast Club. The membership of the two Associations also presented her with a portable radio as an individual gift.



She started with the Armstrong Clothing Company when the store first opened in 1890, and for many years acted as bookkeeper and cashier. Later she was made assistant credit manager, and about 20 years ago became credit and collection manager. She also held the position as office manager and confidential bookkeeper.

When the Cedar Rapids Retail Credit Association was organized in 1910, she was one of the charter members and took a leading part in the activities. Ever since then she has been a leader in credit work and has served on many committees, and as a Director of the Association almost continuously. Although she is almost 70 years of age, her outlook on life has always been a happy one and she has consistently encouraged young credit workers to adopt new methods and study their work. She took an active part in the two credit schools that have been held in Cedar Rapids during the past six years. She is the only living charter member of the Retail Credit Association.

The National Association congratulates Miss Boettcher on her interesting career and hopes that in her retirement she will continue to have as full and enjoyable a life as she has experienced in the past.

Louisiana Credit Association at New Orleans

The eleventh annual convention of the Louisiana Credit Association, held in New Orleans, February 2-4, was attended by 161 delegates. The program and speakers were most interesting and the group sessions well attended. Officers and directors elected were: President, Carl H. Herkenrath, Alexandria; First Vice-President, Charles E. Craig, Baton Rouge; Second Vice-President, Julie J. Beer, New Orleans; and Secretary-Treasurer, Fred A. Coty, Alexandria. Directors: E. Jack Selig, Monroe; Lionel Harris, Lake Charles; Hubert Fielder, New Orleans; Newton B. Jackson, Jr., Shreveport; and A. L. Pollard, Shreveport. The 1942 convention will be held in Shreveport.

Credit Department Letters

ONE OF THE MOST delightful Letter-Writing Clinics it has ever been my privilege to conduct was held at Tulsa under the auspices of the Retail Merchants Association following the Seventh Annual Conference, last month. The letter-writing lectures were held two hours each evening, and there were 74 enrollments.

The National Bank of Tulsa had a delegation of 11. The Brown-Dunkin Co. sent ten members of their letter-writing staff. The Retail Merchants Association had a delegation of six present. Sears, Roebuck, Vandever's, and the Oklahoma Natural Gas Company sent five members apiece of their respective letter-writing people.

A number of prominent firms were represented, including: Adams & Leonard, Citizens Finance, Consolidated Shade & Carpet, Cooper Co., Field's Apparel, First Banccredit Corp., Froug's, Inc., General Paint Corp., Home Federal Savings & Loan, Independent Petroleum Association, Jackson Shop, Leland Equipment Co., McEntees, Palace Clothiers, Petroleum Printing Co., Pitts-

burgh Plate Glass, A. K. Supply, Scott-Rice Co., Stotler Music Co., Tulsa Business College, Tulsa Tribune, W. D. Wooley, University of Tulsa.

A number of interesting problems were presented during the group meetings, some of which are given under our illustrations this month.

The more I meet the grand retail credit folk, the more I admire the wonderful work that they are doing to uplift the credit standards of the nation as a whole and bring about more efficient and better public relations in every way.

I could not report a set of meetings in Tulsa without submitting some sincere commendation to the officials of the Retail Merchants Association, Mr. J. C. Rayson, Manager, and others. Every detail was managed to perfection, and my hat is off to these grand Tulsa folks.

This Month's Illustrations

I wish there were space to publish all of the letters that were so graciously turned in at the Letter-Writing Clinic. Here are just a few of the many fine examples:

Illustration No. 1 is a letter written by The Brown-Dunkin Dry Goods Co. Miss Marion Leleu, Credit Manager, is doing an outstanding piece of work for her store and, without a shadow of a doubt, sells many times the merchandise as any sales person in the store, as well as collects her accounts in excellent order.

The inactive account illustration produces excellent results, including responses similar to this one, "I have been a customer of your fine store ever since it has been in Tulsa and find it more wonderful each year. I have been buying as much as usual, but have been paying cash."

Illustration No. 2 by the First Banccredit Corporation shows an interesting approach using the powerful approval appeal. Notice the friendliness of this letter and the up-to-date wording in every respect. This organization turned in several other letters, and I wish there were space to publish all of them.

Illustration No. 3, from Froug's, is another excellent use of the approval appeal. Notice the opening which shows an expectation of good from the debtor, in spite of the fact that her account is in a serious condition, as indicated by the last paragraph. These letters which have to use a "club" are usually made more forceful by also including a generous dose of approval.

Illustration No. 4 shows an interesting treatment of a halfway letter by Sears, Roebuck and Co. Mr. Stuart, Credit Manager, reports excellent returns from this letter and you can see why. It makes action easy on the part of the reader.

Aline E. Hower

At last . . . a practical
handbook on successful

LETTER WRITING

Business and Personal

SOME letters always get a check—an order—a job—whatever they go after. Other letters, just as carefully written, meet with nothing but a yawn of indifference. Why?

To get the answer, big firms go to A. E. HOWER, one of America's outstanding authorities on letter-writing. They pay this expert hundreds of dollars to train their employees in secrets of letter-writing! For 14 years Hower has been rendering this service to business, in addition to conducting a famous school and correspondence course in letter writing. Now all of this long practical experience, all the proven, successful Hower methods, have been put into a great new single volume—and offered at a fraction of the price you would have to pay for the Hower Course.

NOW ONLY \$1.96

Order from

National Retail Credit Association
1218 Olive Street St. Louis, Mo.

THE BROWN-DUNKIN DRY GOODS CO.

Tulsa, Oklahoma

NEW BUSINESS
DEPARTMENT

①

November 18, 1940

Mrs. C. E. Clay
2305 Eastern Place
Tulsa, Oklahoma

Dear Mrs. Clay:

A self-addressed, stamped envelope is enclosed in the hope that it will bring back to us your answer to a question that's puzzling us. And that question is:

Why haven't you charged any merchandise here since July 5, 1940?

There must be some reason for this, and we are anxious to know if it is through any fault of ours. If some transaction in the past has not been entirely satisfactory to you, it is never too late to bring it to our attention and give us an opportunity to make an adjustment.

Right now our store is aglow with new fall apparel and each day all sorts of fresh new fascinating items are arriving.

Won't you come in soon and visit us?

Your Charge Account is waiting to be used and it will be a pleasure to us to see it active again on our books.

Cordially yours,

THE BROWN-DUNKIN DRY GOODS COMPANY

J. H. Dunkin
J. H. DUNKIN
Vice President-Treasurer

JHD:me

Through THE FROUG COMPANY, INC.

214-216-218 SOUTH MAIN
TULSA, OKLA.

③

February 21, 1941

Mary Doe
316 S. Main
Tulsa, Okla.

Dear Miss Doe:

Everyday I have been expecting you to call at my office and make arrangements to take care of the past due payments on your Budget Account.

The money for our merchandise has been due for some time and we cannot forestall payment any longer.

Unless payment or satisfactory arrangements are made on or before Saturday March 1, 1941, we will be forced to refer your account to the Retail Merchants Association for collection.

Yours very truly,

The Froug Co., Inc.

Bliss
Manager Budget Accounts

Balance \$20.00
PMB:mb

SEARS, ROEBUCK AND CO.

RETAIL STORES

Shop at Sears and Save

④

November 21, 1940

Usually there are two sides to a story.

This is our side:

This is your side.

Credit is a mutual arrangement. We have tried to perform our part of the agreement by carrying the best merchandise obtainable to sell at the lowest possible cash price. It has also been our endeavor to keep our service up to a high standard.

Are we unfair in expecting our customers to cooperate with us by paying their accounts each month which is according to our terms?

Your account is past due for the months shown below. If you can send a check in full, fine: just attach it to your half of the letter—no explanation necessary. If not, send part now and tell us on the other side of this "Half-Way" letter when you will send the rest. If you just can't possibly send a cent now, tell us your side of the story on your side of the letter. It helps a lot to know just when we may expect the money that is due us.

Will you meet us half-way?

Cordially,
Sears, Roebuck and Co.
H. R. Stuart
H. R. Stuart,
Credit Manager.

HRS:ef



FIRST BANCREDIT CORPORATION

PUBLIC SERVICE BUILDING
TULSA, OKLAHOMA
February 21, 1941

Descomb-Daniels Lumber Company
Altus, Oklahoma

②

Re: E. V. Self

Dear Mr. Hinkle:

We are pleased to return the papers in response to your request and in anticipation of receiving the new deal that will be eligible for us to handle.

We will look forward to receiving the contract after you and your customer have had an opportunity to rearrange details concerning the construction of the contemplated improvements.

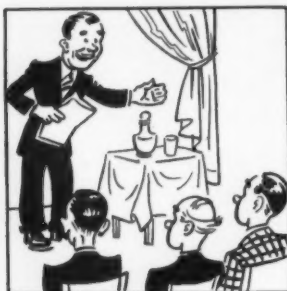
Your prompt attention has been very much appreciated and we wish to let you know that this business you are submitting to us is very much appreciated.

Yours very truly,

G. K. Foye
Credit Department

GKFoye
lm
enc-

Beneficial Group Sessions



Plans for the Group Conferences are well under way with New York Co-Chairmen for each classification. Following is a complete list of the Committees and the New York Chairmen or Co-Chairmen who will be working with the National Chairman in perfecting the program:

- Banking and Finance:** H. B. Jackson, Morris Plan Industrial Bank, 56 East 42nd Street, New York, N. Y.
- Department Stores:** E. F. Higgins, Allied Stores, Inc., 1440 Broadway, New York, N. Y.
- Furniture, Electrical Appliances, Musical Instruments, Tires and Auto Accessories:** H. N. Kinoy, Spear & Company, 524 West 23rd Street, New York, N. Y.
- Home Service (Dairies, Bakers, Grocers, Meat Dealers, Ice, Florists, Fuel, Cleaners and Laundries):** J. J. Bulger, Jr., Sheffield Farms, 524 West 57th Street, New York, N. Y.
- Hospitals, Physicians and Dentists:** J. E. Bryan, Secretary, Medical Society for the County of Westchester, 171 East Post Road, White Plains, N. Y., and P. A. Edholmes, Manager, New York Hospital, 525 East 68th Street, New York, N. Y.
- Hotels:** L. O. Doty, Hotel New Yorker, Eighth Avenue at 34th Street, New York, N. Y.
- Jewelry:** Henry Lambert, Lambert Bros., Lexington Avenue at 60th Street, New York, N. Y., and William Wagner, Executive Secretary, Associated Credit Jewelers of New York and New Jersey, 45 West 34th Street, New York, N. Y.
- Men's Wear, Women's Wear and Shoes:** Joseph Rothenberg, Bergdorf & Goodman, 2 West 58th Street, New York, N. Y., and Harry Nicholas, Weber & Heilbronner, 1457 Broadway, New York, N. Y.
- Newspapers:** B. J. Perkins, Editorial Executive, Fairchild Publications, 8 East 13th St., New York, N. Y., and W. D. Hart, Retail Editor, *Women's Wear Daily*, 8 East 13th Street, New York, N. Y.
- Petroleum Refiners and Fuel Oil Distributors:** Mr. Charles T. Wolf, Gulf Refining Company, 17 Battery Place, New York, N. Y.
- Public Utilities:** Jay C. Finley, Credit Manager, New York Telephone Company, 140 West Street, New York, N. Y., and M. O. Davis, Asst. Treasurer, Brooklyn Union Gas Company, 176 Remsen Avenue, Brooklyn, N. Y.
- Real Estate:** J. Edward Severe, Credit Bureau of Greater New York, Inc., 55 Fifth Avenue, New York, N. Y.
- Credit Women's Breakfast Clubs:** Mrs. E. M. Stewart, I. Miller and Sons, 4310 23rd Street, Long Island City, N. Y.
- Associated Credit Bureaus of America:** J. A. Brien, Credit Bureau of Greater New York, Inc., 55 Fifth Avenue, New York, N. Y.
- Collection Service Division:** A. J. Worsdell, Associated Retail Credit Men's Adjustment Bureau, New York, N. Y.

Every Credit Manager who plans to attend the convention should write to either the General Chairman of the Group Sessions, L. H. Jacobs, Credit Manager, Ovington's, 437 Fifth Avenue, New York, N. Y., or the New York Co-Chairman of his Group, giving his or her name, firm name, address, classification of business and the Group he will attend so that publicity may be sent to each direct by the Group Chairman.

This preliminary group registration will enable the convention officers to reserve rooms of the proper size for each session. Each Group is very anxious to have as many subjects listed for the program as possible. Send in your problems—those topics that you want discussed either by short prepared speeches or during the Open Forum period.

Let's Look

TWENTY-NINTH ANNUAL

Forms and Letters Display



One of the educational features of our convention will be a display of credit, collection and adjustment forms and form letters.

Gilbert Marbach, Credit Manager, City Water Board, San Antonio, Texas, has accepted the Chairmanship of this Committee and

will arrange the display which will be in a prominent spot in the Convention Hotel so the delegates can take their time in making a study of the material. Mr. Marbach was General Convention Chairman at the San Antonio Conference a year ago, and is noted for his ability to carry projects through to a successful completion.

Will you please send today to Mr. Marbach as many of your forms and form letters as you can possibly assemble, so the other delegates can profit from your material and you, in turn, can benefit from their display.

MAIL YOUR RESERVATION NOW

New York State Presents Leonard Berry



Leonard Berry, Credit Manager, B. Forman Company, Rochester, New York, will speak at the Convention on "Art of Interviewing."

This important part of credit procedure is a highlight on the main conference program because recent surveys show the tremendous value resulting from a proper interview. The

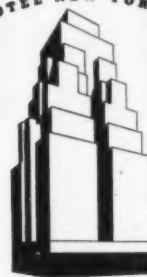
good will which accrues to a firm when the customer is interviewed tactfully is just as important as getting complete information without the customer being aware of being asked questions.

Mr. Berry is a keen student of credit policies and procedure and is known for his ability in expressing his experience in an interesting and emphatic manner. He has been with the B. Forman Company for fifteen years. Coming to Rochester from England in 1922, he served his apprenticeship with the Rochester Gas and Electric Corporation as assistant credit manager. He is a past president of the Rochester Retail Credit Association and of District Two of the National Association. He has been a special lecturer for several years at the Rochester Business Institute on Credit and Collections.

Hotel Credit Convention Plans

ANNUAL CONFERENCE AND CREDIT SALES FORUM

HOTEL NEW YORKER



**June 16-19, 1941
New York City**

Credit Women's Breakfast Clubs



The New York Committee for the Credit Women's Breakfast Clubs, of which Mrs. E. Marguerite Stewart, I. Miller & Sons, 4310 23rd Street, Long Island City, N. Y., is Chairman, has made arrangements for the following program which may be changed slightly:

Sunday, June 15, 4:00 p.m. to 7:00 p.m.	Pre-Convention meeting.
Monday, June 16, 6:00 p.m. to 7:00 p.m.	Get-together and Social Tea.
Tuesday, June 17, 7:00 a.m.	Annual Breakfast (Hotel New Yorker)
Tuesday Noon, June 17	Drop-In Luncheon (Hotel New Yorker)
Wednesday Noon, June 18	Drop-In Luncheon (Hotel New Yorker)
Wednesday, June 18, 7:30 p. m.	Annual Business Meeting and Election
Thursday Noon	Post-Convention Luncheon meeting (New Yorker)

BRING ANOTHER MEMBER

James Wilson to Attend Convention

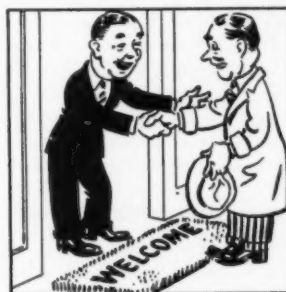


A reservation has been received from James Wilson, Credit Manager, Denholm & McKay Co., Worcester, Mass., dean of the credit fraternity.

Mr. Wilson has had a remarkable career. He entered the employ of Denholm & McKay in 1886.

He has been paralyzed from the waist down since 1902, due to injuries suffered in a ten-mile bicycle race and has carried on despite handicaps which to most men would seem too difficult. A special pneumatic tube system carries all important papers to his desk. He is a charter member of the National Retail Credit Association, and in 1912 organized the Associated Retail Credit Men of Worcester.

Welcome, Mr. Credit Executive



It is an old custom among credit managers to make the most of their time, when they are taking a trip to another city either for a convention or a vacation, by looking over the credit and collection departments of firms in the same line of business. The New York Association has received a

number of letters from credit and collection managers all over the country asking, "What stores will we be able to visit?"

The New York credit managers are appreciative of this interest in making a tour, not only of their credit and collection departments, but of the store or firm as well, and a list is now being prepared of all those firms which have definitely agreed to extend a cordial invitation to delegates to visit them. In the New York Association with its twelve hundred members there are nearly one hundred different lines of business extending credit to individuals, so no matter what line of business the delegate may be in, there will no doubt be firms in his line.

In subsequent publicity, the New York Association will give a list of the members who are looking forward to the opportunity of showing the visitors their entire setup. When the delegates register, they will be given the list of such firms by classification of business, the name of the store, the credit manager and the address. By all means, plan on visiting the Greater New York Credit Departments.

GO VIA THE SPECIAL TRAIN

Hotel Credit Men Plan Entertainment

At a meeting of the hotel credit managers of New York City, President Charles J. Hunt, of the Savoy Plaza, appointed a committee to arrange for the entertainment of all the hotel credit managers who will attend our annual convention. The chairman of the committee is L. O. Doty, Hotel New Yorker. He will be assisted by Clark W. Smith of the Croyden, E. G. Steck of the Pennsylvania, A. W. Berghane of the Plaza, and Walter A. Carlin of the Hotel St. George.

Installment Trends

Dr. Albert Haring

Professor of Marketing, Indiana University

An address given before the Fifth District Conference, Louisville, Kentucky, February 10, 1941.

Dr. Haring is the author of numerous publications on marketing and other subjects in the field of business and economics, and at present is Director of Installment Credit Research at the Consumer Credit Institute of America, Inc. Before joining Indiana University he was a member of the faculties of Yale University, the University of North Carolina and Lehigh University. He is Secretary and Director of the American Marketing Association. In 1935, he was associated with the Bureau of Census, Washington, in the Wholesaling Division. He is the author and coauthor of many books on wholesaling published by the Bureau.



RECENT DEVELOPMENTS in installment selling are numerous. They may be divided into four sections: (a) store credit policies, (b) credit information, (c) legislative developments, (d) distinguishing ethical and questionable operators, and (e) defense program restrictions.

Store credit policies have shown a mixture of trend. Terms have not changed materially for 1941. If the broadest terms available are no down payment and twenty-four months to pay, this has probably not changed for 1941. But stores are making greater efforts to have fewer and fewer customers take advantage of the most liberal terms. A smaller and smaller proportion of customers are getting maximum terms because credit departments are taking the trouble to convince them that larger down payments and a shorter time to pay are advantageous.

Installment Field Expanding

More stores are entering the installment field, and stores giving time-to-pay privileges are expanding the merchandise lines which can be purchased upon "easy payment" plans. Although many stores claim that installment selling of soft goods is merely a shift of slow-pay accounts from regular charge to a time basis, there is a great deal of evidence to indicate that this is often not the case. Rather, it would appear that stores are using the installment technique to sell customers of a credit rating somewhat lower than they would be willing to sell upon a straight charge account plan. Installment selling is thus showing some tendency to expand, partially in an area which may be undesirable.

With the selling of more soft goods on time and the extension of installment credit to lower class risks, better credit information (in the second place) is vital. Credit granters are beginning to check more thoroughly, i.e., to check a larger proportion of the old accounts when a new time contract is written; to check all inactive and new accounts; and to require the more thorough type of

credit bureau clearances. A few credit bureaus, such as that run by the Associated Furniture Dealers of New York and the Indianapolis Credit Bureau, have begun to make detailed clearances of installment contracts. This is a natural area for credit bureau expansion.

Clearances of Installment Contracts

Installment contract clearance, plus charge account clearance, offers the only way to get a full picture of a customer's credit standing. As time passes, credit bureaus will add this feature, giving contract totals and terms. Similarly, the records of men called to the service and enlisting are best kept by credit bureaus because one record can in this manner do for all credit granters. As the men under arms become more numerous, both their names and their credit situations will become more significant.

Present credit policies are to treat potential draftees without prejudice or distinction, while getting larger down payments and shorter terms, if possible. Similarly, the present policy is to get the draftee to make a settlement after he has been called rather than to permit postponement of the obligation until the end of military service.

The legislative trend for 1941, in the third place, has been distinctive. Massachusetts passed a general statute last year. Illinois and New York, among other states, are considering such legislation this year. Maryland has a statute in the throes of being voted upon. Certain legislative trends are now apparent. (A) States without specific installment legislation are likely to have such statutes proposed. (B) New statutes will include provisions to state terms clearly with a cash price and carrying charges. (C) Deficiency judgments are likely to be outlawed after repossession unless the repossession has been disposed of at public sale. (D) Add-on contracts are likely to be prohibited unless all payments are allocated between multiple contracts upon the basis of the original cash price of each item of merchandise.

Various investigations show that 85 per cent or more of the installment dealers are ethical. The laws being framed to prohibit undesirable practices upon the part of the semi-fraudulent few are definitely including certain ideas of limiting installment selling, and the pressure behind such statutes is rising.

There is a distinct tendency, in the fourth place, for the more ethical installment sellers to try to distinguish themselves from the less desirable sellers by means of simple contracts, clear and complete terms, advertising which does not fringe upon misrepresentation, and the like. Sears' present contract is an example. Under many of the old and complicated contracts, an unethical operator could do anything which he might wish. Both reputable and dubious operators might be using the same contract form. The more progressive sellers are trying to differentiate themselves by their contracts and advertising as well as by their operating policies. Similarly, when an installment law does come up in a state, it would be magnificent advertising copy if a firm could state, "The new law merely makes our competitors do what we have been doing."

Increasing Importance of Credit Bureaus

In this peculiar period where installment selling is trying, through its most reputable operators, to improve its ethical standards in order to avoid future stringent regulation, the credit bureau is the only central local point where pressure for simplifying contracts, etc., can be pushed without too much irritation. Here, it is believed, is a chance for the credit bureaus to do something "extra."

The rearmament and defense program, in the fifth place, is likely to have serious repercussions upon installment selling. The present administration is completely committed to a policy of prohibiting serious rises in consumer prices if it is humanly possible to avoid such price increases. But certain forces are tending to make buyers have more money: (a) larger pay rolls with a good deal of time-and-a-half for overtime; (b) more employees per community and per family, thus freeing a larger share of wages for the purchase of items other than food and lodging; and (c) a feeling that the job of today will exist tomorrow, resulting in increased confidence and willingness to buy.

There are tendencies, on the other hand, toward making goods more scarce: (a) certain raw materials are being diverted to defense industries and consumer industries may soon get inadequate supplies; (b) skilled labor is being diverted to defense industries; and (c) in machine tool and similar lines, priority is being given to defense industries. Some time during the next six to eighteen months, many consumer industries will or may become unable to deliver as much merchandise as formerly. Already one hears rumors of freezing automobile models for 1942.

With increased consumer buying power and a stable or declining volume of consumer goods, the competition of buyers for merchandise would normally cause rising prices, possibly skyrocketing prices. The only easy solution for the administration is to decrease consumer buying power through taxes; through campaigns to buy "baby bonds"; through propaganda that "it is stylish to wear patched pants"; and through control devices. And credit is a natural control device.

If 50 per cent down payments and twelve months to pay were made maximum terms, the amount sold on time would fall. But we already hear that this is one proposal being seriously considered when the flow of consumer goods begins to fall (if this occurs). Similarly, charge account credit will be tightened, according to rumor believed to be reputable, by requiring credit to be cut off if payment for goods bought in one month (December) is not made by the twentieth of the next month (January 20). This rule would force all weak charge accounts over onto a time payment basis. The two proposals, taken together, would materially shrink the ability of the people to buy.

These trends in installment credit are conflicting. No single solution to the problems suggested is possible. But they do indicate clearly that events of 1941 are forcing stores to grant credit more carefully, and that they are giving credit bureaus an opportunity to be of more service than ever before to their communities.

"CHARGE ACCOUNTS?"

**—they don't
worry me any more!"**



"We've put an end to lopsided charge accounts and credit worries. And the answer was so simple it would surprise you. We did it with Rand McNally Budget Coupon Books!

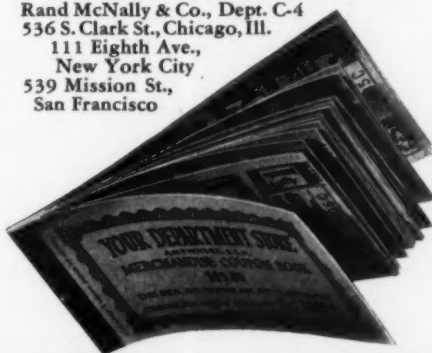
"Now, we sell credit to those who want it. And our customers are glad to pay for it. It's easier for them — safer for us. Everybody's happy! And this new plan is actually increasing our sales!"

This is the same story you'll hear from executives of leading stores all over the country. Their experience with Rand McNally Budget Coupon Books is condensed into a brief, factual study that will interest you. Ask us to send it along with complete information.

Rand McNally & Co., Dept. C-4
536 S. Clark St., Chicago, Ill.

111 Eighth Ave.,
New York City

539 Mission St.,
San Francisco



RAND McNALLY BUDGET COUPON BOOKS

February, 1941 The Collection

DISTRICT AND CITY	DEPARTMENT STORES (Open Accounts)						DEPARTMENT STORES (Installment Accounts)						WOMEN'S SPECIALTY STORES						FURNITURE STORES (Installment Accounts)					
	1941			1940			1941			1940			1941			1940			1941			1940		
	AV.	HI.	LO.	AV.	HI.	LO.	AV.	HI.	LO.	AV.	HI.	LO.	AV.	HI.	LO.	AV.	HI.	LO.	AV.	HI.	LO.	AV.	HI.	LO.
Boston, Mass.*	—	—	—	46.2	69.6	44.0	—	—	—	15.5	27.6	11.9	—	—	—	49.3	55.7	40.3	—	—	—	—	—	—
Lynn, Mass.	47.2	50.2	43.8	49.5	53.0	40.1	43.3	48.3	38.3	42.3	50.0	34.7	—	—	—	—	—	—	15.0	22.5	14.2	13.5	18.1	11.4
Springfield, Mass.	55.6	60.3	51.0	53.9	57.9	50.0	15.9	18.3	13.5	14.9	17.8	12.0	53.3	56.3	50.3	53.8	66.7	40.9	—	—	—	—	—	—
Worcester, Mass.	46.6	46.8	44.9	44.6	44.9	42.1	19.0	22.6	15.4	18.3	21.5	15.1	41.2	42.0	39.1	38.8	42.0	37.2	—	—	—	—	—	—
Providence, R. I.	44.7	76.1	42.9	45.2	74.8	41.0	—	—	—	—	—	—	—	—	—	—	—	—	7.2	11.5	2.9	6.4	10.2	2.1
New York City	43.5	51.4	39.1	47.1	52.2	38.4	17.8	27.9	12.8	18.6	25.2	11.6	43.9	55.0	38.5	44.9	52.5	39.9	—	—	—	—	—	—
Syracuse, N. Y.	36.3	38.3	35.8	37.7	39.1	35.8	16.9	18.1	12.8	16.2	19.9	14.3	—	41.3	—	—	40.2	—	—	—	—	—	—	—
Utica, N. Y.	25.5	26.8	24.7	38.0	40.5	25.9	—	—	—	—	—	—	31.0	32.0	29.8	33.0	34.0	31.0	9.5	10.9	9.0	10.0	12.5	10.1
Pittsburgh, Pa.	43.3	48.2	35.5	45.1	48.6	41.9	16.6	21.0	11.8	15.1	20.4	11.8	42.6	46.2	35.5	43.8	48.6	37.8	—	—	—	—	—	—
Reading, Pa.	53.4	54.7	52.1	55.2	56.5	53.9	—	22.9	—	—	21.1	—	—	36.0	—	—	47.0	—	9.3	9.7	9.0	—	9.5	—
Washington, D. C.	40.2	46.4	33.3	40.3	47.1	32.6	14.9	18.3	12.0	14.7	19.8	11.9	—	—	—	—	—	—	—	—	—	—	—	—
Baltimore, Md.	40.8	46.2	33.0	40.9	48.5	33.5	16.6	23.7	10.7	16.5	22.5	10.7	39.5	42.8	35.7	37.5	41.5	31.4	—	—	—	—	—	—
Huntington, W. Va.	—	54.3	—	—	52.2	—	—	15.2	—	—	12.5	—	34.1	38.1	30.2	—	26.8	—	—	8.7	—	—	8.4	—
Birmingham, Ala.	37.2	41.1	31.0	37.4	42.6	30.4	17.3	21.1	14.0	16.3	17.8	14.3	44.2	57.2	37.6	39.8	41.0	38.5	11.0	12.3	9.2	11.4	12.7	9.2
Atlanta, Ga.	35.0	35.0	35.0	34.8	34.0	34.0	12.2	13.0	11.4	12.1	12.2	12.0	32.1	35.3	28.0	35.5	36.9	34.2	10.2	10.6	9.6	10.3	11.6	8.8
Little Rock, Ark.	—	39.1	—	41.5	45.6	37.4	—	15.4	—	20.5	24.8	16.2	—	45.9	—	—	45.0	—	—	—	—	—	—	—
Kansas City, Mo.	64.3	71.7	45.2	61.3	72.6	47.8	15.7	18.2	13.5	—	19.6	—	51.8	52.9	44.2	49.3	52.5	42.1	—	12.7	—	—	13.3	—
St. Louis, Mo.	53.8	60.7	49.6	51.5	58.0	46.5	19.7	24.2	17.3	19.3	24.1	14.8	41.8	49.3	35.3	42.8	50.0	34.6	—	20.1	—	—	18.9	—
Louisville, Ky.	50.5	58.2	41.6	50.1	57.9	42.2	16.5	17.6	16.0	16.2	17.1	14.6	39.0	49.8	34.0	38.1	43.9	36.0	11.5	14.3	9.3	11.4	12.0	10.1
Detroit, Mich.	52.3	65.8	42.9	51.1	64.3	42.5	24.1	28.7	15.1	23.7	28.2	14.6	47.9	51.2	45.3	49.5	50.6	47.8	—	—	—	—	—	—
Grand Rapids, Mich.	40.9	42.1	39.5	42.9	44.1	41.6	18.5	19.1	17.7	—	—	—	40.6	48.2	30.2	37.9	42.4	30.0	16.6	21.4	12.0	19.5	23.0	15.1
Cincinnati, O.	48.0	54.8	44.4	48.7	54.8	43.1	16.4	23.1	12.8	17.0	21.4	12.9	43.3	49.5	36.7	45.6	51.9	40.6	—	—	—	—	—	—
Cleveland, O.	48.2	51.2	43.5	46.3	50.6	43.7	22.0	23.5	17.7	20.2	22.0	18.0	41.9	44.5	39.2	39.9	43.4	37.0	9.6	18.2	8.0	9.5	11.4	7.4
Columbus, O.	41.1	48.5	36.9	41.5	50.2	28.1	13.0	13.8	12.3	13.9	14.2	13.5	49.6	50.1	49.2	46.7	50.9	42.5	11.6	40.0	9.5	—	36.0	—
Toledo, O.	40.7	49.4	38.3	40.9	51.8	38.5	17.8	21.2	13.3	18.5	20.7	14.4	42.5	43.2	28.2	40.9	44.0	32.0	—	—	—	—	—	—
Youngstown, O.	44.4	45.9	42.8	44.8	45.9	43.7	15.9	16.7	15.0	15.9	16.9	14.9	—	49.3	—	—	47.2	—	17.7	24.1	13.5	16.2	18.0	13.4
Milwaukee, Wis.	46.7	54.4	42.4	46.6	51.0	41.6	19.1	22.8	17.7	18.2	19.9	17.6	46.0	50.0	25.0	45.2	49.0	23.1	11.8	13.1	9.1	10.4	11.5	10.1
Cedar Rapids, Ia.	53.0	56.1	43.0	52.5	56.3	49.2	21.1	23.0	19.3	19.7	21.5	18.0	—	—	—	—	—	—	—	—	—	—	—	—
Davenport, Ia.	50.3	51.1	49.5	50.5	51.1	50.0	14.2	15.9	12.8	13.3	15.9	8.5	—	—	—	—	—	—	18.1	—	—	21.4	24.3	18.1
Des Moines, Ia.	44.4	46.4	42.4	42.5	44.0	41.0	—	10.6	—	—	11.8	—	43.0	57.2	34.3	39.6	53.8	38.4	—	—	—	—	—	—
Sioux City, Ia.	41.1	46.9	35.9	42.6	46.5	38.2	15.3	19.1	15.1	15.1	23.8	14.2	—	34.0	—	—	34.0	—	15.6	—	—	17.0	—	—
Minneapolis, Minn.	60.3	62.1	57.8	61.7	64.2	58.9	18.3	20.4	15.2	18.7	24.5	14.9	58.1	59.3	56.9	53.9	55.5	52.4	—	—	—	—	—	—
St. Paul, Minn.	51.2	56.9	41.0	48.6	53.8	39.5	22.9	35.2	16.2	24.6	38.0	15.7	38.7	43.1	32.0	40.3	46.9	30.0	—	—	—	—	—	—
Omaha, Neb.	—	40.8	—	—	39.9	—	—	12.0	—	—	11.6	—	42.3	43.8	41.2	40.4	43.6	37.5	—	—	—	—	—	—
Tulsa, Okla.	55.1	62.9	46.6	56.2	62.0	49.3	18.4	23.0	12.1	22.9	29.0	12.7	44.3	51.0	39.0	45.8	46.5	45.0	—	—	—	—	—	—
San Antonio, Tex.	40.0	44.4	38.5	42.8	49.1	36.5	10.0	12.0	9.0	11.8	12.7	11.0	43.0	52.0	34.0	40.9	46.5	34.0	9.5	10.5	9.0	9.4	10.3	9.4
Denver, Colo.	42.3	44.8	38.7	41.4	43.0	37.4	14.0	14.6	11.3	15.3	16.3	13.9	42.7	44.8	40.7	39.7	42.0	37.4	9.6	10.4	8.8	9.1	9.2	8.1
Salt Lake City, Utah	50.3	58.1	42.4	52.5	57.0	46.0	18.3	21.1	16.9	20.4	24.1	17.3	—	—	—	—	—	—	—	—	—	—	—	—
Casper, Wyo.	—	102.3	—	—	104.5	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Portland, Ore.	37.9	38.8	37.1	37.8	38.1	37.6	13.8	15.9	11.8	13.7	14.3	13.1	42.8	44.1	34.0	40.8	43.8	33.6	—	—	—	—	—	—
Spokane, Wash.	44.4	49.1	39.8	45.9	48.1	43.8	10.7	11.5	9.9	11.2	11.7	10.7	—	46.0	—	—	45.0	—	—	—	—	—	—	—
Los Angeles, Calif.	58.8	65.6	53.1	58.7	63.1	52.5	17.3	19.6	16.7	—	—	—	48.0	58.5	39.9	50.9	58.2	43.6	—	—	—	—	—	—
Oakland, Calif.	46.6	48.3	41.5	48.8	52.6	43.5	17.0	22.7	14.5	17.4	21.4	12.7	39.0	49.0	29.0	37.2	43.3	31.1	18.3	—	—	17.6	—	—
San Francisco, Calif.	41.6	50.2	38.7	41.9	51.0	38.0	17.1	19.3	13.2	16.3	20.5	14.8	33.7	36.2	24.8	30.3	37.0	28.1	—	—	—	—	—	—
Santa Barbara, Calif.	47.0	55.6	37.7	51.1	60.1	39.4	—	—	—	—	—	—	43.3	48.2	33.6	51.4	58.9	38.4	—	—	—	—	—	—
Vancouver, B. C.	60.5	67.3	53.8	52.9	61.3	44.5	23.3	24.8	21.8	20.7	21.2	20.2	—	35.0	—	—	38.5	—	19.0	23.0	15.0	23.5	25.0	20.0
Victoria, B. C.	60.3	63.3	57.4	65.1	65.5	64.7	23.7	26.3	21.2	21.7	24.0	19.4	—	—	—	—	—	—	—	—	—	—	—	—
Ottawa, Ont.*	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

*1941 figures not received at press time
*Installment

¹Furriers

²Lumber

³Paper and Paint

⁴Fuel
⁵Cleaning and Dr.

FORTY-EIGHT KEY CITIES COOPERATING WITH THE RESEARCH DIVISION—THE UN

CREDIT FLASHES

New York Association Elects

The new officers and directors of the Associated Retail Credit Men of New York City for the fiscal year which began April 1, are: President, B. A. Farrell, Frederick Loeser & Co.; Vice-President, James M. Malloy, Abraham & Straus; and Secretary, A. B. Buckeridge, Credit Bureau of Greater New York, Inc. Directors: William Bramley, Brooks Brothers; M. B. Doremus, Rogers Peet Co.; J. E. Field, Davega City Radio; Thomas F. Frawley, Jr., Oppenheim Collins & Co.; L. H. Jacobs, Ovington's; George Miller, Arnold Constable & Co.; Walter E. Baab, Stern Brothers; John M. Hilgert, Lord & Taylor; and Charles J. Hunt, Hotel Savoy Plaza. Holdover directors include: F. W. Dornhoefer, Franklin Simon & Co.; A. J. Kramer, Borden's Farm Products Co.; H. C. Squires, Bloomingdale Brothers; and Walter Strickland, Best & Co.

District Seven at Tulsa

With a record attendance of 401, District Seven held a most outstanding conference at Tulsa, Okla., February 16-18. Officers elected were: President, Lloyd Ferrell, Southwest National Bank, Wichita, Kan.; First Vice-President, John H. Vaughn, The Jones Store, Kansas City, Mo.; Second Vice-President, E. F. Callaway, Pfeiffer Bros., Little Rock, Ark.; and Secretary-Treasurer, Mrs. Frances Smith, Hunt Dry Goods Co., Ft. Smith, Ark. Directors: Walter G. Cassmeyer, Merchants Ice & Coal Co., St. Louis, Mo.; Melvin E. Clark, Geo. Innes Co., Wichita, Kan.; Burl Graves, Skelly Oil Co., Oklahoma City, Okla.; William Hale, Hale's Men's Shop, Pine Bluff, Ark.; R. C. Warren, Arkansas Gas & Electric Co., Pine Bluff, Ark.; and J. Ralph McKee, The Palace Clothiers, Tulsa, Okla. R. C. Warren was reelected National Director.

Below is a picture of the banquet at which 422 attended.



Coming District Meetings

District One (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont, and Quebec, Canada) will meet May 7 and 8, 1941, at the New Ocean House, Swampscott, Massachusetts.

Districts Three and Four (Florida, Georgia, North Carolina, South Carolina, Alabama, Louisiana, Mississippi, and Tennessee) will meet April 14, 15, and 16, 1941, in Savannah, Georgia.

District Eight (Texas) will meet May 18, 19 and 20, 1941, at the Texas Hotel, Ft. Worth, Texas.

District Nine (Colorado, New Mexico, Utah, and Wyoming) will meet April 20, 21 and 22, 1941, at Salt Lake City, Utah.

District Ten (Idaho, Montana, Oregon, Washington, Alaska, Alberta, British Columbia and Saskatchewan, Canada) will meet May 12, 13 and 14, 1941, at the Winthrop Hotel, Tacoma, Washington.

District Thirteen (Illinois, Indiana, and Wisconsin, except Superior) will meet May 18, 19 and 20, 1941, at Racine, Wisconsin.

Credit Men Honor F. G. Waite

Credit men and women, store and bank executives attended a testimonial dinner sponsored by the Rochester Retail Credit Association in honor of Frederick G. Waite, Secretary-Treasurer of the Association and Manager of the Credit Bureau for 15 years and active in the credit field for twice that length of time. Gerald M. Brooks, Credit Manager, McFarlin Clothing Co., and President of the Association, was chairman of the dinner. Among the speakers were Louis W. Johnston, President, Sibley, Lindsay & Curr Co.; George C. Lennox, President, Rochester Association of Credit Men; and Edward C. Ott, H. B. Graves Co.

What the Future Holds In the Retail Distribution Field

E. P. SIMMONS*

President, Sanger Brothers, Dallas, Texas

WHAT ARE THE business prospects or future for retailing in 1941? How about the future of retailing after 1941 or 1942 or later?

The prospects for this year's retail business or sales volume, as well as for all other business, depend to some extent (I might say to too much extent for our own good) on the continuance of an active war in Europe, because if war continues during the balance of this year, it means that our own American plan for rearming our country for defense, or even for active participation by our naval and air forces will be going ahead with all possible speed regardless of cost. And since cost will run into billions and billions of dollars, the effect of such tremendous spending will bring about huge increases in employment and in pay rolls. This in turn means increases in consumer buying and in retail sales. An increase in business or sales in 1941 and perhaps 1942, will have to be paid for most dearly in taxes this year and more so in many years to come. Increases in sales volume even this year do not mean that there will also be increases in net profit, because federal taxes are going to be higher and higher on both corporations and individuals.

A different view of what might happen (which seems to me to be most unlikely and too much to expect or hope for so soon as this year), is the defeat of the Axis Powers, or perhaps a stalemate in the war; or draw or peace without victory; or a negotiated peace based on complete disarmament. In such event, there would be for a time considerable activity in agricultural products, as demands for all kinds of food by the now warring countries and neutral countries isolated by war would take the place of demand for all kinds of fighting implements. In such case, the Middle West would be better cushioned against the immediate change from war to peace than would the strictly industrial communities.

*An address delivered before the Dallas Retail Credit Men's Association, Dallas, Texas, January 16, 1941.

Probably the best year in the last ten looms for all interests dependent upon a prosperous agriculture. The program of national defense is likely to raise the market value of everything farmers raise, with the single exception of cotton, which in Texas is the principal farm export item, and which is suffering from lost markets because of the war. The loss of cotton income, however, is very likely to be made up and more by the rising prices for meat, wool, mohair, wheat, corn, grain sorghums, forest products, vegetables and fruits.

Wool especially stands to undergo a substantial price rise because of the difficulty of importing our normal quota from Australia and South Africa. There are 40,000 trench silos on Texas farms, compared with 20,000 two years ago. These are all full of home-raised feed and will serve as reservoirs from which hundreds of thousands of meat animals will be furnished to feed the thousands of soldiers in army camps, and the other thousands of workers building these camps. Winter wheat on 4,360,000 acres is the best in several years, with a condition of 66 per cent compared with 47 per cent a year ago, warranting an estimated increase of 10 to 20 per

cent in yield next summer. Outlook is for at least 35,000,000 bushels of wheat based on conditions. For 1940, Texas produced 29,000,000 bushels. Our ranges and winter pastures are in excellent condition with timely rains during late fall and early winter. There is more water in our soil at this time of year than in any year in the last eight. That means good crops, continued good grazing, fat live stock cheaply produced, and larger profits for ranchmen and feeders.

There will be additional acreage planted to specialty crops, tomatoes, melons, onions, spinach, cauliflower, etc., to feed men who have returned to work. Texas grows vegetables for ten months a year, thus has a chance at marketing in seasons when the north is frozen up. The mild winter finds our range cattle, hogs, sheep and



—Patton in the Dallas "Journal"

goats in prime condition. There will be a larger than average calf crop and lamb crop, these sold on a rising meat market mean additional farms and ranch income.

There is likely to be a big increase in demand for dairy products as soldiers and workers again begin to eat normally. All of Texas' sixteen cheese plants will be in full operation again; so will the hundreds of creameries and milk stations scattered throughout the Dallas, North and East Texas regions. The Texas agricultural outlook is brighter than it has been since 1929.

Ten Year Prospectus

With this brief reference to the influence of war or peace on our business or sales volume for 1941, let's consider the prospects for the next ten years from a more local view and if possible, without the war influence in our forecasting or endeavors to think ahead.

To begin, our city is growing in population as never before, and its growth over the period of the last ten years has been a steady substantial growth. When you think of a population of Metropolitan Dallas in 1930 of 209,000 and in 1941 of 289,000, an increase of some 80,000 people, you can conservatively look forward to a city of 500,000 people in 1950. Does increase in population mean increase in business? Most certainly! That is, based on the American standard of living as we have known it in our own lifetime.

Let's consider some of the measurements we might apply to the future by considering how these measurements have worked out in the last ten years. Telephones in Dallas in 1930 were 69,000; at the beginning of 1941, 101,000. Other measurements of population to business are electric meters, which show 1930, 69,000; 1940, 91,000. Gas meters, 1930, 66,000; 1940, 84,000. Still another indication of business increase and some thought as to what it will be in 1950, with 500,000 people, is this: total bank deposits at year end 1930, \$162,000,000; at the end of 1940, \$329,000,000. Still another guide as to what we may expect in growth in the next ten years by what happened in the last ten is auto registrations. We find the total for 1930 at 89,000, whereas the total for 1940 is 123,000. According to a report from *Sales Management* made recently, the effective buying income per white family for city counties of over 100,000 population shows Dallas County second only to Washington, D. C. Greater Dallas has a population rank of 24th.

Growth of a Typical Southwestern City

By 1950 we should have come through the next depression with several years to spare just like we did in the one that began in 1930 and reached bottom in 1932. The City of Dallas, with a population of 500,000, in 1950, should then find the State of Texas with some 8½ million to 9 million people, perhaps the largest state in the union as to population, and certainly then, as now,

the largest state in the union as to size in area. By that time, industrialization of the state and particularly of Dallas will have grown and advanced so that along with oil, cattle, cotton and agriculture and some minerals will be all kinds of manufacturing and industrial plants, so we will have everything that makes for more retail business and all other kinds of good, substantial American business.

Regarding retail business, it appears that with the growth that we believe is reasonable to forecast as regards population, agriculture and all kinds of industry, that the retail business will make at least equal strides. In fact, based on what has been accomplished heretofore by our retailers, the retail business should lead the procession in growth and progress for all business in Dallas. The future of retailing never looked better than it does today because, based on the American Way, on the American

System, and the American Standard, we should be bound to grow in the future like we have in the past, and Dallas and Texas should grow because of all the advantages they now have and will add. An opportunity which will develop over a period of time along with industrialization, is trade with Mexico. Being on the road to Mexico, Dallas will in time be greatly benefited by the business and travel that will develop between the two countries. Not only the trade that will come because of our American people

finding opportunities in Dallas on their way to Mexico, but perhaps more so because of the citizens of Mexico coming this way and finding buying opportunities in Dallas on their way to various other parts of this country. Now all of this will not come about with smooth sailing in the next ten years as there will be economic storms the like of which we have not seen before.

The Aftermath—An Economic Struggle

There will come after the war is over to all the people in all the nations of the world, in some form or other and in varying degrees of cost, the bill that humanity will have to pay because of the terrific destruction of moral values and property values that have taken place on land, on sea and in the air. The economic struggle by people and by nations following the war will probably be the greatest, most severe in the history of the world just as this war, before it is over, will have been the worst war of all history as far as destruction of material wealth is concerned, and further, we may be obliged later on to say the same even more sadly as to destruction of life.

We, as retailers, have a great responsibility and *the retail credit men have the greatest task and responsibility ahead of them that has ever come upon the profession of credit granting.* In the depression of 1930 to 1933, following the failure of nations to meet their stated obligations, business credit largely failed, and that government credit, up until then hardly used except for war purposes, was used to keep the economic house of business

In the May Issue

"The Credit Bureau's Contribution Toward Credit Control," J. E. R. Chilton, Jr., President, A. C. B. of A., Dallas

"Where Do We Go From Here, Mr. Credit Executive?" J. T. Machat, Ross Federal Service, New York

"New Developments in Collections," Marie Hilton, B. Siegel Co., Detroit

"Making a Profession Out of Credit Management," R. B. Remagen, B. R. Baker Co., Cleveland

"Do You Bulldoze Debtors?" Mrs. L. O. Borgeson White, Salt Lake City

from falling down. Consumer credit held the line in the last depression and it is to the everlasting credit of the consumer that she kept her individual credit good all through the trying times. Credit executives are entitled to a large share of the credit for this because it was they who built the individual credit structure so sound over a period of time that it held firm in the crisis. When the next depression hurricane blows again, you probably won't have anything in the way of good international credit among nations, and judging from the present and expected size of the Federal Government debt, you won't have the assistance, or as much assistance, from the Federal Government that you had last time, so it is up to you to have the individual credit structure strong enough to carry through.

Retailing On Trial

There are other great tasks ahead. Actually is not retailing on trial as much as, if not more than, ever? *First*, Diversion of Trade. Every day more angles are being worked out to divert trade, which must be combated, and can be fought only if retailing has a true solidity of purpose and a unity of action. *Second*, even more basic than preventing diversion of trade is to prove that retailing is the best and most economical method of distribution. Perhaps we had better check ourselves on this. In most of the big industries today, including our nationwide competitors, there are research laboratories which are looking for a better way, whose sole purpose is to prove that what we did yesterday was good, but not good enough. How many retail merchants really have this outlook? Or, do we take the idea of last year and see if we cannot beat it by more windows, a bigger ad, more enthusiasm. Perhaps we do not dig deep enough into the very fundamentals of distributional economy.

The big retail organizations and retail stores all over the country have proved that many of our long-standing and fixed ideas about mark-ups are entirely wrong. We need more curiosity and less respect for practices which after all have never made us a particularly profitable group of industries at any time. *Third*, education of the consumer. Here is something where without question we must give Dallas top place in the nation.

Fourth, in competing with the scores of other calls made upon the consumer dollar, it is very likely that we are going to have to embark on more cooperative presentation, taking a leaf from the book of that most instructive industry—the automobile people. *Fifth*, during the past years, we have changed a lot of our ideas about dealing with our people. There is yet another in which we retailers can do a better job. That is training leaders among our people. When an opening for a buyer or executive presents itself, it is too hard to fill from our own ranks. The fault is ours. Particularly at this time when we will find it more difficult to obtain competent people, we must do a better job of personnel development. And as a major factor in the community, we owe it to our people to see that they receive the best possible opportunity for advancement. Today, most of our executives, like Topsy, "just grow up." The result is that we do not attract enough competent but inexperienced college men who could make us real leaders in a few years. And *sixth*, we need a social and civic consciousness among retailers; however, this has been pretty well developed during recent years.

BAROMETER

of Retail

BUSINESS

Sales and Collection Trends

February, 1941, vs. February, 1940

Compiled by Research Division, National Retail Credit Association

Arthur H. Hert, Research Director

CREDIT sales increased 3.1 per cent during February; total sales 7.4 per cent; and collections 1.5 per cent, in the United States and Canada, as compared with February, 1940. *These increases were again attributed to more people employed on projects in connection with the defense program.*

Highlights of the monthly analysis are shown in the tables below:

Highlights for February

56 Cities reporting.

23,358 Retail stores represented.

COLLECTIONS

41 Cities reported increases.

1.5% Was the average increase for all cities.

15.0% Was the greatest increase (Cheyenne, Wyo.).

3 Cities reported no change.

12 Cities reported decreases.

4.4% Was the greatest decrease (Casper, Wyo.).

CREDIT SALES

43 Cities reported increases.

3.1% Was the average increase for all cities.

22.5% Was the greatest increase (Dayton, Ohio).

3 Cities reported no change.

10 Cities reported decreases.

13.0% Was the greatest decrease (Abilene, Texas).

TOTAL SALES

51 Cities reported increases.

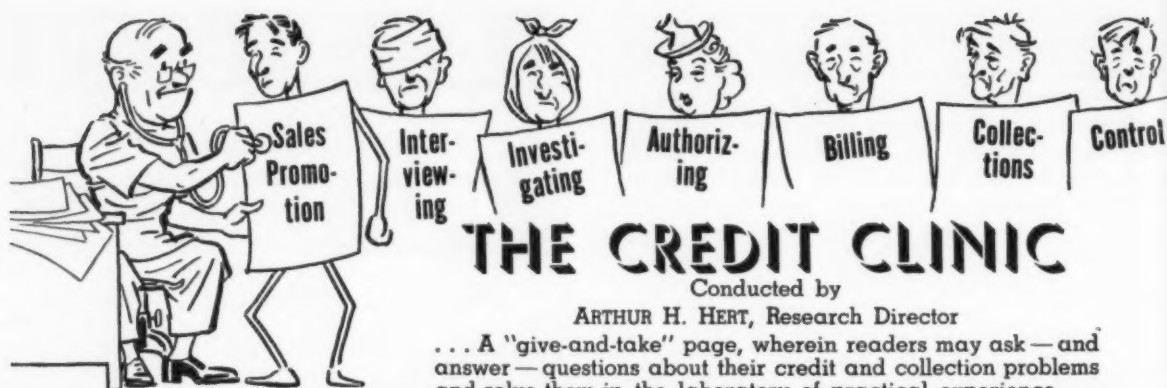
7.4% Was the average increase for all cities.

38.6% Was the greatest increase (Abilene, Texas).

3 Cities reported no change.

2 Cities reported decreases.

5.0% Was the greatest decrease (Grand Rapids, Mich.).



Experiences With Nondescriptive Billing

WHETHER MODERN ACCOUNTS RECEIVABLE billing procedures now being tried by various stores will become successful is a subject of much importance to credit executives today. To the Apparel, Shoe, Grocery, Drug and Department store group of the Retail Credit Association of New Orleans, it is of such importance that a committee was formed for the purpose of making a study of this subject. Their findings are reported here.

★ ★ ★

The most popular method of nondescriptive billing is that used by thousands of large and small business houses throughout the nation which requires the customer to save his copy of the sales ticket to check his statement. This is true nondescriptive billing as advocated by the committee.

Most members of the group are in favor of adopting a similar method. The belief is almost unanimous that customers have long been catered to, and the time is now at hand when they should be requested to cooperate to the extent of saving the copy of sales checks which are enclosed with all packages.

This method will require mailing a copy of the sales checks covering all purchases made by others, taken or sent to another address, other than the person in whose name the account is carried on the books. The work of copying sales checks will be a task, but the advantages to be gained are many. Few purchases bought by others are sent to a different address. A special "duplicate sales check" form may be drawn up, to be carbonized by the salesclerk at the time of sale, which the person purchasing may be required to sign. These duplicates may be filed in the tray with the ledger and mailed with the statement at the end of the month. Some claim it to be advantageous to mail these duplicates each day, to enable customers to know how much is being charged by friends and relatives.

All of us are more or less familiar with the methods employed by many firms to code-classify disbursements, etc. Should we decide the customer must have an indicator of the item purchased, in addition to his copy of the sales check, a code can be prepared. When one stops to analyze the items handled in the average store, it is surprising to note how adaptable a code classification may be made. As an example, let us say there are women's, misses, and children's dresses; i.e., 402-8 on a statement

indicates salesperson number 402 in the Women's Dress Department sold a dress, number 8 in the code. Also, 35-8 indicates salesperson number 35 in the misses' department sold a dress. Then 504-8 covers dress sold in Children's Department. So, we find number 8 in our code covers all dresses.

For sales promotion work, the salesperson's number indicates the department in which the article was purchased. A code list can be made up and printed on the back of the statement, so the customer may refer to it at all times with ease. It would be well to arrange the code in alphabetical as well as numerical order, thus furnishing a list for the information of the customer of all of the items we have for sale in our store. Some may say we could never code all of the thousand and one items retailed. The question is, have we a thousand different items in our store? We will agree there are beads, bracelets, buckles, earrings, clips, and rings, but all of these can be coded as jewelry. Hose are hose—shoes are shoes—coats are coats—and so on, even to buttons, of which there are thousands of types.

Experiences of a Cleveland Store

In the December, 1940, CREDIT WORLD, Mr. William Hoffman, Credit Manager of the Stearn Co., Cleveland, Ohio, presents an article in which he brings out that his store put into effect nondescriptive billing similar to the method mentioned in the previous paragraphs. It was discontinued "primarily because none of our local stores favored it, and could not be converted." This type of billing can be handled on a desk model adding machine costing from \$400.00 to \$900.00. Anyone who can run an adding machine can post code-accounts receivable billing as fast as the machine can be operated.

The committee has also developed information concerning "Skeletonized Billing" similar to the system in use by the Broadway Department Store and Coulter's in Los Angeles. Skeletonized billing is being used by a number of the larger stores throughout the country as well as most of the oil companies. This plan requires extra copies of all sales checks to be filed in customer order each month. At the end of the month adding machine tapes are run off, listing the sales checks and credits, thus showing the total purchased by each customer. Then the extra copies of sales checks and credit memos, except cash receipts, are clipped to the adding machine tape and

a form of skeleton bill, which is filled in showing the amount of the total net purchases. Before the bill is mailed it is posted to the customer's ledger page in total. Cash receipts are not mailed, being merely listed on the statement and posted on the ledger page. The most recent, improved type of this method has been adopted by the Texas Co., New Orleans, and is called cycle billing. The bills for certain sections of their accounts receivable trays are mailed each day, thus eliminating the peak load at the end of the month which has been experienced by some stores operating skeletonized billing. So far the Texas Co. has been able to reduce the number of machines from four of the descriptive type posting machines and one tabulating machine unit to four of the desk model. Results are most satisfactory and the posting peak has not been reached. The skeletonized billing system adopted by the Texas Co. is also a combination of the age analysis.

Experiences of a Boston Store

L. T. McMahon, Filene's, Boston, writes that he has recently installed cycle skeletonized billing with a transcript customer history card and ledger page combination of the "Visicard" type. He seemed well pleased with the change. Nine closing dates are used, and bills are mailed every day. No copies of sales checks are retained for reference, as the Recordak system is in use.

In many stores the ledger page has been eliminated and a "customer history card," reflecting the total monthly purchases, returns, payments, and balance, is being used with great enthusiasm. It is claimed that for the few times it becomes necessary to look up a sales check for a customer where copies are mailed in skeletonized billing, itemized ledger pages are not needed. Original sales tickets may be filed alphabetically by day or month for quick reference.

Since the committee has been working on nondescriptive billing, we have aroused considerable interest on the subject in New Orleans. A few firms have been using, or are trying out, nondescriptive billing on their employees. Some of the stores are now trying out a plan of consolidated or abbreviated billing. This plan permits consolidation of all items on one check into a one-line total and description; i.e., ties, hose, and shirts are listed as men's furnishings; three dress as dresses; material; kitchenware; children's clothing, etc. One store has been using consolidated billing for a long time, others have just started to try it out on a few customers. No stores have had any marked dissatisfaction expressed by those customers who have received consolidated or abbreviated billing statements.

Conclusions

The committee believes much good has been accomplished because the leading merchants of the city have been caused to give considerable thought to nondescriptive billing. It is still the belief of a majority of the members of the committee that a good plan would be to educate the customers to keep copies of their sales checks to compare with their statements, regardless of whether a change is adopted or not. This can be done with so little effort and expense and the benefit to the merchant in reducing inquiries as to items abbreviated

on our present itemized statement will be great. Some effective methods would be to instruct all salespeople to ask each customer to keep his copy of the sales check for his record; also print the request on the customer's copy and across the face of his statement.

Should skeletonized billing be adopted by any firm there is no need to incur the expense of photographing the sales checks. All that need be done is provide a copy of the sales check to be mailed to the customer. Cycle mailing dates in conjunction with skeletonized billing seems to be the solution to the peak period problem. We may have to adopt skeletonized billing as our business increases because the number of duplicate operations under our present system is fast becoming a greater burden than our overhead can bear. Something must be done soon. Try to visualize an installation of one hundred bookkeeping machines, fifteen to thirty-five not uncommon today.

Even though this method is in use by almost every business, both wholesale and retail in the United States, excepting the Department and Apparel Store groups, the members of the committee have found that the merchants of New Orleans are not ready to band together to make nondescriptive billing a success. For the present, the committee feels there is little hope of accomplishing anything. Some day a change might be effected in accounts receivable billing but they believe that one or two firms must first adopt the plan so that others may follow.

In the investigation it was found that all firms now using nondescriptive billing are pleased with the results. The committee has built up a large file of data on this subject. Anyone interested in this information should write the Chairman of the Committee, J. D. Henderson, Credit Manager, Mayer Israel's, New Orleans, La.

Positions Wanted

CREDIT AND COLLECTION WORK: Experienced in credit interviewing and collection work. Proven thoroughly reliable and efficient. Married. Age 26, 10 years with middle west department store. Excellent references. Available immediately. Address Box 41, CREDIT WORLD.

WANTED: To manage or buy a credit bureau in a city of 20,000 or over. Five and one-half years' credit and collection experience with installment finance company. Address Box 42, CREDIT WORLD.

CREDIT MANAGER: Desiring new connection. Employed at present with dairy as Credit and Collection Manager for 10,000 accounts. Seventeen years' experience selling and collecting. Address Box 43, CREDIT WORLD.

Credit World Binders

Binders for twelve issues of "The Credit World" are now available. They are pamphlet type with stiff fabricoid covered sides. There is an individual wire for each issue, easily inserted. Price \$1.35, postpaid. Order from your National Office.

Cleveland Credit Company Reelects Trustees

Giles C. Driver, Credit Manager, The May Co.; Clyde C. Kortz, Credit Manager, The Higbee Co.; and Theodore W. Walters, President, Cleveland Retail Credit Men's Co. and Vice-President, Morris Plan Bank, were reelected trustees of the company for three-year terms at their annual meeting recently.

Crouch Credit Manager of Kaufman-Straus

H. L. Crouch has accepted a position as Credit Manager, Kaufman-Straus Company, Louisville, Ky., succeeding H. C. Hendrix, resigned.

Tom McCormick Celebrates Anniversary

Among the many loyal credit executives who have been National members 20 years or longer, is Tom McCormick, Credit Supervisor, Falk's Mercantile Company, Ltd., Boise, Idaho. Credit executives of the Pacific Northwest celebrated with Mr. and Mrs. McCormick their recent twenty-fifth wedding anniversary. They are well known in the credit fraternity throughout the country by their attendance at National Conventions.

Kansas City's "Credit Analysis Club"

"The Credit Analysis Club," an activity of the Retail Credit Association of Kansas City, has been part of their educational program for twelve years. Mr. H. P. Hovey of Hovey, Beals & Boley, Attorneys, was Chairman for the twelfth straight year, and conducted one of the most interesting and instructive of all credit study classes yet held. The total enrollment was 149 and the average attendance 105. The programs are prepared by a local committee and instructors are members of the Retail Credit Association and Credit Women's Breakfast Club under whose joint auspices this year's class was conducted. No fees are charged and classes are held in the offices of the Credit Bureau, commencing at 7:00 p.m. and adjourning at 9:00 p.m. Below is a picture of the last class.



California Credit Granters Meet

The eighth annual conference of the Credit Granters and Bureau Managers of California will be held at the Hotel Senator, April 20, 21 and 22, in Sacramento, Calif. An excellent program is being prepared and a large attendance is expected.

West Virginia Store Has Accounts in 28 States

The Parsons-Souders Company, Clarksburg, West Virginia, boasts of being the largest department store in any city in the United States with a population of thirty thousand. They are also proud of their credit department, and under the able management of Miss Cathryn Brown, they now enjoy 11,456 accounts, with active accounts in 28 states and 215 cities and towns in West Virginia. The almost unbelievable percentage of loss on these accounts is most gratifying to the store management.

A large window display was arranged recently showing a map of the United States on which were outlined the 28 states and 215 cities and towns in West Virginia.

1. We welcome applications from all persons who evidence the ability and willingness to meet their obligations according to agreement.

2. We guarantee genuine courtesy and friendliness on the part of everyone in our Credit Department.

3. We offer credit facilities beyond the Clarksburg city limits—in fact, to everyone in nearby communities.

4. Your account is a matter of great pride with us. We know you will enjoy doing business in this convenient manner.

New Officers and Directors at Helena

At the first annual meeting of the Helena, Montana, Retail Credit Association the following officers and directors were elected: President, Harry McCune, Holter Hardware Co.; Vice-President, Norman Winestine, Fligelman's; and Secretary-Treasurer, F. W. Anderson, Helena Commercial Service Association. Directors: Harry Hennesy, Hennesy Brothers; Leonard Kleve, Capital Motor, Inc.; Clyde Burgan, Burgan and Walker; R. C. Wallace, American Building & Loan; Leonard LaReau, Capital Laundry Co.; and Earl Jacoby, Bossler's Clothing Store.



Standard Application Form



THE sale of over one hundred thousand during the past year is conclusive testimony of the popularity of this form. Increase the efficiency of your department by ordering a supply immediately!

The actual size of the form (reproduced below) is 7 inches by 9½ inches. Printed in one color. Blocked in pads of 100. Prices: 100, \$0.75; 500, \$2.50; 1,000, \$4.25. All prices include postage.

NATIONAL RETAIL CREDIT ASSOCIATION

1218 Olive Street

St. Louis, Missouri

Complete in


every detail . . . spaces for all needed information

... designed with the approval of our members



**APPLICATION FOR CREDIT
WITH**

FORM ADOPTED BY AND FOR MEMBERS OF THE
NATIONAL RETAIL CREDIT ASSOCIATION



DATE _____

NUMBER _____	FULL GIVER NAME INITIAL _____	AGE _____	GIVER NAME, HUSBAND—WIFE'S MAIDEN NAME _____	DOB _____
FULL NAME (SURNAME FIRST) _____		DOB LONG _____		
RESIDENCE _____		DOB LONG _____		
PREVIOUS ADDRESS _____		DOB LONG _____		
BUSINESS OR OCCUPATION _____		DOB LONG _____		
PREVIOUS BUSINESS OR OCCUPATION _____		DOB LONG _____		
WIFE OR HUSBAND EMPLOYED? _____		AMOUNT _____		
OWN REAL ESTATE LOCATED AT _____		MONTHLY RENTAL _____		
BOAT { FURN. APARTMENT? _____ UPPER. APARTMENT? _____ RESIDENCE? _____		AT HOME _____		
NAME OF NEAREST RELATIVE (OTHER THAN HUSBAND OR WIFE) _____		EMPLOYED _____		
NAME { (CHECKING) _____ (SAVING) _____		COLLEGE _____		
LIFE INSURANCE _____		AT HOME _____		
TRADE REFERENCES _____		ACCOUNT IS NOW _____		
FIRM OR STORE _____		OPEN _____		
_____		PAID - DATE _____		
_____		_____		
_____		_____		
_____		_____		
LIST ON REVERSE SIDE OF THIS APPLICATION ANY UNPAID BALANCES ON INSTALLMENT ACCOUNTS AND MONTHLY PAYMENTS THEREON.				
PERSONAL REFERENCES _____				
THE ABOVE INFORMATION IS FOR THE PURPOSE OF OBTAINING CREDIT, AND IS WARRANTED TO BE TRUE. I AGREE TO PAY ALL DUES OF THE FUND OF THE MONTH FOLLOWING PURCHASE OR AS OTHERWISE SPECIALLY AGREED.				
SPECIAL THANKS IF ANY _____				
SIGNATURE _____				
PRINTED IN THE U. S. A. FORM NAI				
AMOUNT CREDIT _____				
APPROVED _____				

Attention!

There are four reasons why you should own these two books . . .

STREAMLINED LETTERS

By **WALDO J. MARRA**

Correspondence Director, Bank of America, San Francisco, California

and

RETAIL CREDIT FUNDAMENTALS

By **DR. CLYDE WILLIAM PHELPS**

University of Chattanooga, Chattanooga, Tennessee

#1 →

One of the important reasons for the outstanding excellence of these books is that they have been read and reread by members of the Educational Committee and Officers of the National Retail Credit Association, thereby assuring them to be the expression of the best modern thought.

#2 →

They do not slight the small store and the medium sized establishment as is usually the case. The effort throughout is to explain the "reason why" rather than to merely tell what is done and how.

#3 →

They have carefully prepared indexes which are thoroughly organized so that you can quickly find the details on the subjects in which you are interested. This makes them especially valuable for ready reference purposes.

#4 →

The style of writing is simple, straightforward, and easy to understand. The text throughout the books avoids involved, technical language and academic phraseology. They will be found easy reading by every employee in the Credit Department as well as by experts. Both of these books have been prepared expressly and exclusively for the members of the National Retail Credit Association.



GET THESE BOOKS AND READ THEM. THEN
PRACTICE WHAT THEY PREACH. THEY WILL
SAVE YOU MANY TIMES THE \$4.00 EACH COSTS.

MAIL THIS COUPON TODAY

NATIONAL RETAIL CREDIT ASSOCIATION

1218 Olive Street, St. Louis, Missouri

Please send me.....copies of **STREAMLINED LETTERS** by Waldo J. Marra at \$4.00 a copy.

Please send me.....copies of **RETAIL CREDIT FUNDAMENTALS** by Dr. C. W. Phelps at \$4.00 a copy.

NameFirm

AddressCity.....State

Credit Schools . . .

Promote Sound Community Credit Policies

WE FELT HONORED and pleased that a credit class in a desert oasis should arouse national interest in our attempts to promote a sound community credit policy through the medium of educational classes," said D. P. Holmes, Manager, Nevada Credit Rating Bureau, Reno, Nevada, when submitting copy to *The CREDIT WORLD* for this page.



Considering that Reno has a population of only 22,000, the bureau is doubly proud of its large credit class. When the picture above was taken, ninety students responded to a roll call for the fourth session. The highest attendance was 102 and lowest, 87. The textbook, *Retail Credit Fundamentals*, by Dr. Clyde W. Phelps, published by the National Retail Credit Association, was adopted as the official text and reference book, and each student obtained a copy.

Under the leadership of Mr. Holmes, weeks of preliminary groundwork were spent in contacting members and prospective members; explaining the benefits to be derived from attending a credit school. *On the strength of this school, the bureau secured forty new members in sixty days' time.*

In reality they have two schools; the Business Administration course for physicians, dentists and their secretaries, and the educational course based on *Retail Credit Fundamentals*. The professional and retail groups are combined on six different evenings since the subject matter applies to both of them. One-half of the class period is devoted to a lecture and the other half to open forum discussion.

They have been fortunate in the lecturers who agreed to appear on the program. Professor E. L. Inwood, Head of the School of Business, University of Nevada, opened the credit fundamentals school. His experience as Credit Manager for *Time, Inc.*, enabled him to present not only the theory of credit, but also many of its practical angles. The professional group met the following night and Clarence Pugh, Attorney, gave a fascinating and illuminating lecture on "The Legal Aspects of the Professional Office." The following week, Harold Gorman, Assistant Cashier, The First National Bank of Reno, presented his theme, "Obtaining Applications for

Accounts." Next, Harry Gibbs, Manager, Reporting Department, Retailers Credit Association of Sacramento, gave a scholarly and convincing lecture on "Interviewing the Applicant." The Retailers Credit Association of San Francisco made it possible for them to hear Charles Benson, Manager of the Reporting Department, in his presentation of "Investigating and Analyzing the Risk."

The program of the Retail Credit School follows:

5. ACCEPTING AND DECLINING APPLICATIONS.
Lecturer: Harry Sheeline, Chief Underwriter, Federal Housing Administration.
6. AUTHORIZING PURCHASES.
Lecturer: Earl G. Casey, Credit Manager, Hale Brothers, Sacramento, Calif.
7. SPECIAL PROBLEMS OF CREDIT CONTROL.
Lecturer: Tate Williams, Secretary, Nevada Retail Merchants Association.
8. CREDIT SALES PROMOTION.
Lecturer: Russell E. Anderson, Sales Manager, Standard Oil Company of California.
9. FUNDAMENTALS OF COLLECTIONS.
Lecturer: Clyde D. Souter.
10. COLLECTION TOOLS AND METHODS.
Lecturer: Harry Selfridge, Manager, Collection Department, Retailers Credit Association, San Francisco, California.
11. REHABILITATING THE DELINQUENT CUSTOMER.
Lecturer: Ronald F. Holmes, Assistant Manager, Adjustment Department, Nevada Credit Rating Bureau.

The program for the Business Administration Course is:

5. PERSONALITY AND PERSONNEL.
6. ADJUSTERS, COLLECTORS AND THEIR CONTRACTS.
Lecturer: Dr. A. R. DaCosta.
7. SPECIAL PROBLEMS OF CREDIT CONTROL.
Lecturer: Tate Williams.
8. SYSTEMATIZING OFFICE RECORDS.
Lecturer: Lawrence Semenza, C.P.A.
9. FUNDAMENTALS OF COLLECTIONS.
Lecturer: Clyde D. Souter, Attorney.
10. COLLECTION HELPS AND METHODS.
Lecturer: Harry Selfridge.
11. FUNDAMENTALS OF LETTER-WRITING.
Lecturer: Professor Paul A. Harwood, University of Nevada.

James Santini, Quiz Master of the Schools, says, "We feel that no other medium could be used as effectively in tying present members closer to our bureau and tempting prospective members to join our organization. We feel that interest and participation in these courses will create a keener sense of the need to promote and perpetuate a sound Community Credit Policy."

All Aboard . . .

CONTINUING our "trip through historyland," after leaving Williamsburg, Va., on our special C. & O. train en route to the twenty-ninth annual convention, we arrive in Norfolk. Here we board the ship "George Washington" of the Old Dominion Line (pictured below), for a sea voyage on the balance of our trip to New York City.

One of America's most beloved and best known sea services is that of the Old Dominion Line whose ships ply the 300-mile course between Norfolk and New York. The history of this Line has been linked with the Old South since the days of the Civil War, and the names of the ships which have been numbered in the fleet of this fine old Line since those brave days, including the "George Washington" and the "Robert E. Lee," the big new passenger and cargo ships which now operate the service, are familiar names in thousands of homes in the South, the West and the Southwest.

New Ships in Service

The new ships, the "George Washington" and the "Robert E. Lee," are a far cry from the "Roanoke," the "Wyanoke," the "Seneca," the "Pocahontas," "Jefferson," "Monroe," "Madison," and "Old Dominion," to recall a few of the earlier ships of the Line. "The "Wyanoke" was a 2,000 ton ship. "The "Washington" and the "Lee" are upward of 7,000 tons displacement. The "Wyanoke" was a side-wheeler; the "Washington" and "Lee" are turbine driven screw ships, and can cruise for 5,000 miles with one fueling. They could cruise around the world.

The Old Dominion Line is now a part of and flies the famous Eastern Steamship Lines' house flag—a big white "E" on a blue field. Eastern's fleet of fine American ships ply on routes extending from Nova Scotia to the Bahamas in the British West Indies.

The sea trip between Norfolk and New York on the "George Washington" or "Robert E. Lee" is measured by its pleasures rather than its duration. Shortly after seven o'clock in the evening when the last minute good-byes, bits of laughter, a throaty roar from the ship's whistle, the

sound of the gangplank being raised and the liner leaves her Norfolk pier to slip quietly through the Harbor traffic. Some passengers will have already done justice to a good dinner in the Dining Room and are on deck.

What We Will See En Route

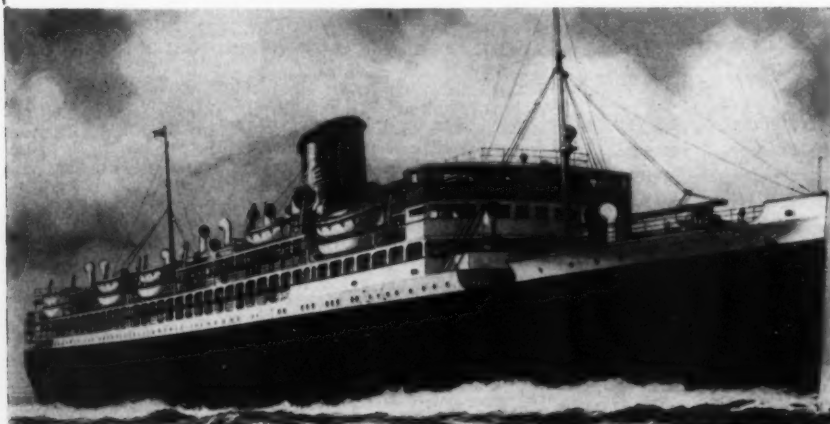
When traveling from Norfolk to New York, the ship moves during the early evening through the quiet waters of Hampton Roads, the scene during the Civil War of the famous engagement between the Union "Monitor" and the Confederate "Merrimac," and close to the great Hampton Roads Naval Base, off which a number of the trim, grim, gray ships of Uncle Sam's war fleet may be lying at anchor. Nearby is Old Point Comfort and its big resort hotel and the ramparts of Fortress Monroe, the most elaborate fortification in the United States, and then as night closes in with the stars or a moon overhead to add to the charm and romance of the hour, the ship heads for Cape Henry and the open sea.

Nothing can be more restful or soothing than nights upon a tranquil sea. Gone are the tensions of the day. Instead, there are gay, lilting strains of music, jolly dancing partners, decks to promenade or to play games on. It's a real vacation—restful and healthful. Here on the "George Washington" or "Robert E. Lee" are all the comforts and joys of trans-Atlantic ships. Salons with deep inviting chairs; soft colored lamps and rich-toned curtains! And to sleep well is the hope of all travelers. But how can one do otherwise when cabins are roomy, beds comfortable, and soothing ocean breezes clear the air? Even in waking hours, the stateroom offers restfulness.

Unforgettable Sights

It is perhaps eight bells before you breakfast the next morning, and there is left to you almost a whole day of marine sightseeing. In the early part of the morning the ship is passing along the Jersey shore—Atlantic City—and the mouth of Barnegat Bay, with its twin lights, is seen in the distance.

Then the ship passes through fleets of trawling fishermen and, as the sun climbs higher and noonday and lunch-time come, the famous Scotland Lightship, her hull painted red, a "land fall" for trans-Atlantic shipping, is abeam and you pass



for New York City

Sandy Hook into lower New York Bay and soon have your first glimpse of the sky-reaching towers of Manhattan. They sometimes have the appearance of a mirage on the horizon . . . it's a magical sight—almost breath stopping when you see it first—like a Maxfield Parish dream in color—a modern Bagdad.

Up the Harbor you come threading your way among colorful workaday craft, deep-laden freighters, great passenger liners, and some of the strangest looking water-borne traffic that you have ever seen. Here is all the excitement and color of the life of perhaps the greatest Harbor in the World—the passing of craft whose names you could never guess, on their way to foreign lands or coastwise ports.

When your ship slackens speed and a couple of tugs with hemp-matted bows nose the liner into her West Street pier—you are doubly glad that you have come to New York by sea.

Railroad Rates

Starting Point	Via	Lower Pullman Charge	First-class	Coach
Duluth	Chicago	\$19.20	\$ 77.50	\$ 62.10
St. Paul	Chicago	20.40	75.00	59.95
Minneapolis	Chicago	20.40	75.50	60.35
Sioux City	Chicago	19.70	80.10	64.00
Des Moines	Chicago	18.70	73.30	53.50
Spokane	Chicago	41.00	133.20	103.70
Portland	Chicago	46.20	147.45	110.65
Seattle	Chicago	46.20	147.45	110.65
Vancouver	Chicago	47.00	147.45	110.65
Calgary	Chicago	37.00	137.50	108.00
Winnipeg	Chicago	25.50	94.70	73.65
New Orleans	3*	19.15	69.25	47.00
Birmingham	3	14.20	53.20	37.70
Montgomery	3	14.95	55.30	38.50
Atlanta	3	12.60	47.45	33.75
Mobile	3	17.60	63.40	43.40
Chattanooga	2	12.60	58.65	40.65
Knoxville	2	10.25	58.65	40.25
Nashville	3	13.65	57.90	35.90
Columbus, Ga.	3	14.25	52.70	37.00
Direct to Norfolk, Va.				
Louisville C. & O. direct not via Cincinnati		12.05	52.20	39.15
Los Angeles	1	45.50	137.50	96.50
San Francisco	1	45.50	137.50	96.50
Salt Lake City	1	35.45	137.50	96.50
Denver (via St. Louis (1) and Cincinnati)		27.85	101.30	74.40
El Paso (via St. Louis)	1	33.35	118.50	87.75
Phoenix (via St. Louis) (1)		40.45	137.50	96.50
Kansas City (St. Louis)	1	18.90	76.05	53.80
Lincoln (St. Louis)	1	21.30	84.55	60.60
Omaha (St. Louis)	1	20.20	82.40	58.90
San Antonio (St. Louis)	1	27.80	105.15	77.10
Houston (St. Louis)	1	23.90	100.25	73.20
Dallas (St. Louis)	1	23.65	93.55	67.80
Tulsa (St. Louis)	1	22.65	82.65	59.05
Oklahoma City (via St. Louis)	1	23.65	87.95	63.30
Ft. Smith (via St. Louis)	1	21.55	82.30	58.80
Little Rock (via St. Louis)	1	19.70	79.25	56.35
Wichita (via St. Louis)	1	23.10	84.75	60.80
St. Louis	1	15.25	63.50	43.75

Starting Point	Via	Lower Pullman Charge	First-class	Coach
Chicago		\$13.90	\$57.15	\$45.65
Indianapolis	1	12.60	53.95	36.35
Cincinnati	1	10.25	49.00	34.55
Milwaukee	Chicago	15.00	61.00	48.75

NOTES:

- 1—Rail rates apply direct to Norfolk, returning New York Central direct through Niagara Falls or via Washington and Chesapeake and Ohio-New York Central.
- 2—Join trip at Cincinnati, Ohio.
- 3—Join trip at Richmond, Virginia.



Pullman

Pullman rates quoted covering a lower berth from starting point to Norfolk, Va., and from New York City to that same point, returning.

The above rail rates include meals and inside berth on Steamer from Norfolk to New York but are not sufficient in number to accommodate our party. We have, therefore, reserved for our exclusive use preferred outside rooms in excellent location, giving us outside ventilation, and which are most desirable at the season of the year our trip is planned for. The rates for these berths and rooms range from \$1.00, \$1.50, and \$2.00 for uppers, \$1.50, \$2.00, and \$2.50 for lowers. Couples desiring full staterooms, rates are \$2.50, \$3.50, and \$4.50. Rooms at \$3.50 have toilet facilities and at \$4.50 are equipped with toilet and shower. State rooms when occupied by one person for his exclusive use, payment of \$5.00 additional is required plus regular room charges for such room.

Williamsburg, Va.

Sightseeing at Williamsburg, including transportation, admissions, and luncheon at Williamsburg Lodge, is \$3.25. Buildings to be seen will be:

1. Governor's Palace
2. Capitol
3. Gaol
4. Raleigh Tavern
5. Ludwell-Paradise House
6. Wythe House

A New Tone...

In Credit Advertising

WHEN A CREDIT MANAGER submits an idea for a sales promotion that results in from 20 to 30 per cent increase in credit purchases . . . when that sales promotion has a carryover effect that continues long after other "Big Days" have been forgotten . . . when the promotion does not add one cent to expense and when it does not depend upon price reductions . . . then the credit manager acquires new stature and both merchandise

manager and store owner "sit up and take notice." When dozens of credit managers achieve the same success in dozens of stores at the same time, then the promotion is worthy of comment. This happened in Calgary, Alberta, Canada.

"Credit Week in Calgary" was planned by H. O. Schultz, manager of the Calgary Retail Credit Grantors Association with the assistance of E. D. Waines of *The Calgary Herald*. It formed part of the year's advertising program which was to be presented to members for approval at the annual meeting held for that purpose. "Credit Week" found ready favor with the members and a small committee was formed to promote it. Advertising assessments in Calgary are collected as part of members' monthly dues so provision was made for the heavier advertising cost well in advance of "Credit Week" which was held in the middle of October.

The plan called for no unusual credit practice, or leniency, on the part of merchants, merely a concerted appeal to the public at one time by all credit-granting firms in town urging the use of credit. People were advised to discover for themselves the ease with which credit purchases could be made. The effort was promoted only with newspaper space and window cards.

"Credit Week" first was suggested as a means of offsetting any thought on the part of the public that the bureau was formed only to protect merchants and enforce collections. It was felt that about once or twice a year it would be good business to use the credit advertising space in a way that would have a more positive effect on sales than the "pay promptly" campaign which appears the year around. It was also believed the public had a one sided view of the bureau's activities and its purposes.

The wording of the "Credit Week" message contained in the full-page advertisement was:

CHECK OVER YOUR NEEDS

You will find many items of merchandise you would like to own. There may be firms with whom you would like to open a "charge account." We suggest you make reasonable use of your credit this week to purchase many of these items you desire . . . and with prices advancing you may be able to do so at a saving. Now is a good time to do your advance Christmas shopping . . . you will have your gifts paid for when others are merely starting.

CREDIT WEEK STARTS ON MONDAY

Here are the 1939 and 1940 full page Newspaper Ads and the Window Cards used for "Credit Week"

...and here is what that means...

"DID YOU SAY THIS IS CREDIT WEEK IN CALGARY?"

CHECK OVER YOUR NEEDS

AND USE YOUR CREDIT!

WALK INTO ANY OF THE ABOVE FIRMS AND BE ASSURED YOUR CREDIT PURCHASE WILL BE AS HIGHLY REGARDED AS A CASH PURCHASE

THIS IS CALGARY CREDIT WEEK

USE YOUR CREDIT

Last year "Credit Week" inspired hundreds of Calgarians to use their credit for the first time. They were surprised and pleased at the lack of "red tape" and unnecessary delay. They were impressed with the ease with which term payments may be met when properly budgeted. Tonight, plan how much you can safely set aside each month for payments . . . and tomorrow shop in the stores and make your purchases to the amount you planned.

Credit is available throughout the city to any responsible person of legal age. All you require is the ability and willingness to pay according to agreement.

Make your fall purchases this week . . .

AND USE YOUR CREDIT!

As a sales promotion its value was proven by increases of from 20 to 30 per cent in the volume of credit reports given merchants from the bureau during the week. When taken into consideration that this represents practically a city-wide increase of credit business, that volume is considerable. The bureau was so busy with merchant reports during the week that three new employees had to be added, and ever since this event the number of reports in the bureau have been considerably greater than the corresponding period of a year ago.

In addition to the sales angle it is felt that several other purposes were served by advertising of this tenor. It centered attention on the bureau as a clearinghouse that facilitated the granting of credit and showed how the bureau eliminated the many embarrassing questions once required to establish credit. The public was made aware of the extent of the bureau's membership through the listing of the names in the full page ad. Many of these owners would not have allowed their firm names to appear on an ad had it been of the "Pay Promptly" type. This list served also to interest prospective members. It discouraged bad debtors from applying for credit at member stores which were listed.

The results from the ad indicated that bureau advertising was being read by the public and was, therefore, serving as an educational influence on credit buying. Credit managers were better able to justify to their own managements the dues paid to the bureau, and in particular the advertising assessments.

The credit bureau became a positive and not a negative factor in selling. "Good Credit" translated into articles of merchandise which may be obtained makes credit a concrete thing that means anything from new glasses to oriental rugs in almost every home. "A good credit reputation," on the other hand, is an abstract quality much to be desired, but not as often in mind nor as real or immediate as coveted wants that good credit can secure. This thought may be further explored by credit bureaus generally and may be worthy of occasional development along the line of the event staged in Calgary. 1941 plans in that city are expected to extend this theme to several seasons during the year.

Credit executives and bureau managers requiring further information on Calgary's organization or plans should communicate with H. O. Schultz, Manager, Calgary Retail Credit Grantors Association, Calgary, Alberta, Canada.

Calgary has one of Canada's most efficient credit bureaus. It has taken a leading part in standardization and establishment of sound credit practices in its own city and in other Canadian associations. Much of this success is due to the initiative of Harry Schultz who manages and directs the policies of the bureau.

The Book Shelf

Consumers' Goods—Their Supply and Prices—Requirements For Defense (Chamber of Commerce of the United States, Domestic Distribution Department, Washington, D. C., 15 pages, Free)—This pamphlet will answer your queries as to the effects of the national defense program on food, clothing and other necessities. Every credit executive should obtain a copy in order to better acquaint himself with the probable effect of our defense program on retailing.



Federal Bankruptcy Act (Commerce Clearing House, 214 N. Michigan Ave., Chicago, Ill., 188 pages, \$1.00)—Continuing widespread interest in bankruptcy, reorganizations and debt relief, the enactment of the Chandler Act of 1938 and the extension of the farm debt relief provisions in 1940, make the publication of a new addition of this book appropriate. This edition includes the Federal Bankruptcy Act in full text with all amendments enacted by the 76th Congress.



Law and Contemporary Problems—Combating the Loan Shark (Duke University, School of Law, Durham, N. C., 208 pages, \$1.00)—Some states have adequate regulatory legislation for the loan shark. For a large number of states, however, the loan shark is very much a present-day problem. This symposium contains articles that attempt to answer the questions: What are the methods of the loan shark? Why does he exist? What may be done to or about him?



The Balance Sheet of the Future (Dun and Bradstreet, 290 Broadway, New York City, 99 pages)—The banker, financial man, credit executive, and accountant sanction a general program of basic change and refinement in accountancy practice, according to Roy A. Foulke, author of this booklet. With a view to clarifying accounting problems, he sent a questionnaire to 6,000 business men most interested in accountancy practice. The book represents a summary of the replies and also includes important and operating ratios for 78 lines of business.

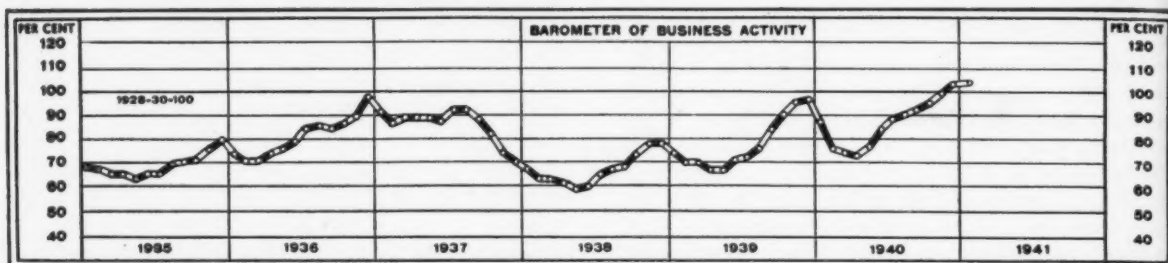


How to Avoid Financial Tangles (American Institute For Economic Research, 54 Dunster Street, Cambridge, Mass., 160 pages, \$1.00)—The purpose of this booklet by K. C. Masteller, is to help the average man find a solution for most of his financial problems. Today, there are many financial pitfalls, and in order to avoid them it is necessary to have a knowledge of the financial hazards incidental to the ownership of a car and its insurance, the ownership of stocks and other securities, life insurance contracts, and other modern forms of property.

Current Business Conditions

The Barometer

Reflecting the wider distribution of rearmament work in connection with the defense program, business and industrial activities in February were maintained at the high level reached in January.



This barometer appears in the April issue of "Nation's Business," published by the United States Chamber of Commerce.

The Map

The favorable trends in trade and industrial activity are continuing to enlarge the areas in which business conditions are good. These areas are now located in nearly every section of the country and they show how widespread the upward movement has become. The average rate of increase over last year at this time is more than 10 per cent.

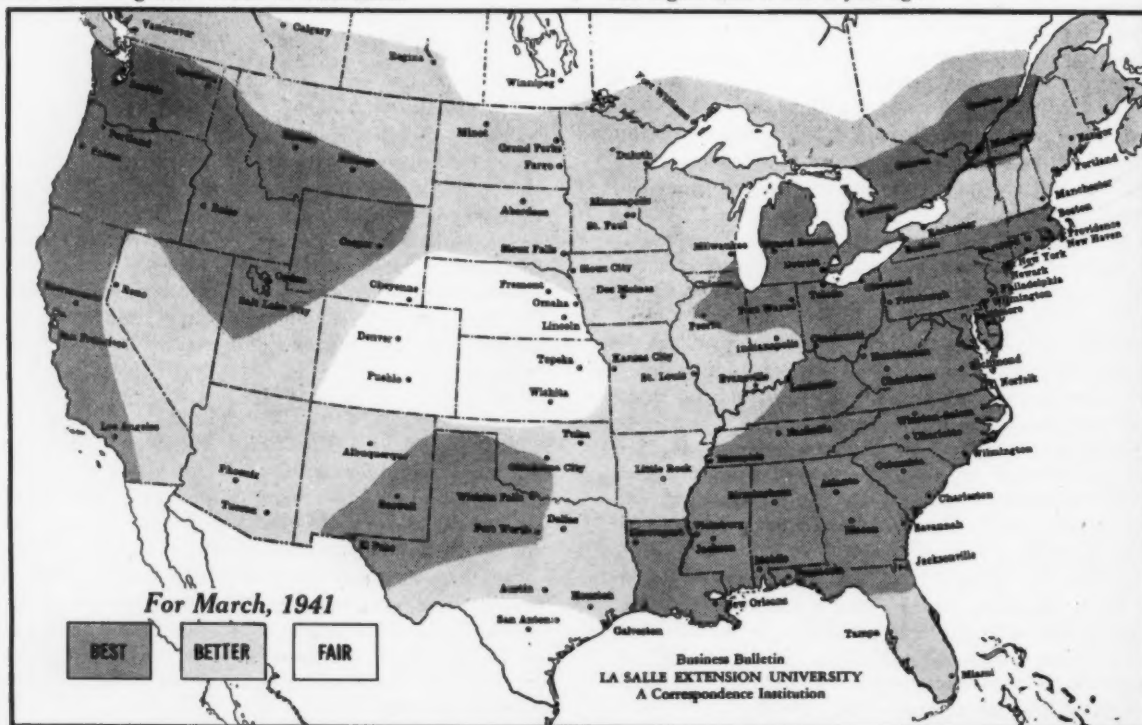
The industrial regions show the greatest improvement over a year ago. They are maintaining the expansion which has been developing for several months and which has carried production in many industries to new peaks. Activity in some of the New England states has not been increasing quite as rapidly as it has throughout most of the East.

Greater domestic demand, both from private and Governmental buying, as well as larger foreign trade, has stimulated many industries in the East and South. Shipbuilding has been forging ahead, and employment in that industry is steadily increasing. The added purchasing power of workers in these and other lines has already been reflected in larger retail trade and in a greater volume of construction.

Business is also expanding rapidly throughout the Pacific Coast states. The map shows that the areas of good business are somewhat larger in the Pacific Northwest and in the mining regions of the Rocky Mountains than they are farther South. The trend is increasingly favorable in California, however, as several industries closely connected with expenditures for military purposes are speeding up operations.

The agricultural regions of the Middle West have been lagging behind, somewhat, as compared with other parts of the country. In most places, however, business is better than it has been for several years. The increased purchasing power of industrial workers has enlarged the market for agricultural products, and farm income is slowly rising.

In Canada the industrial regions show the greatest improvement with the most striking advances in the East. Production for war purposes is keeping many industries operating at peak levels. The volume of trade in other parts of the country is above last year. The general average is more than 10 per cent higher than it was a year ago.



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